



– SHAREHOLDERS' MEETING 2025 –  
April 24, 2025

**ANSWERS TO WRITTEN QUESTIONS FROM SHAREHOLDERS**

This document, made available on the Company's website in accordance with applicable law, contains the answers to the written questions received from shareholders, pursuant to Articles L.225-108 and R.225-84 of the French Commercial Code, in view of the Combined Shareholders' Meeting of April 24, 2025.

**- QUESTIONS FROM FORUM POUR L'INVESTISSEMENT RESPONSABLE -**

**Question 1: Sufficiency policies**

According to the GIEC's definition, "Sufficiency policies encompass measures and daily practices that avoid the demand for energy, materials, land, and water while ensuring the well-being of all within planetary boundaries."

Sufficiency policies refers to multiple approaches that can be translated at the level of limiting or moderating demand (repairability, timelessness of the offer, moderation marketing, etc.) or supply (reduction in the number of ranges and/or products, production on demand, etc.), as well as at the level of resources and materials (on means and inputs such as material intensity or on finished products (reduction of packaging, elimination of any non-essential element for the use of the good that does not impair essential final satisfaction), etc.).

- a. Is the concept of sufficiency integrated into the construction of your environmental strategy? If so, how do you define it? If not, do you use another concept with an equivalent objective in your opinion? If so, which one(s)? Could you define it/them?

As part of our Renew Danone strategy, we have defined a comprehensive roadmap – the Danone Impact Journey – which sets our priorities and objectives in terms of sustainable development around three pillars: Nature, Health, and People & Communities. Although we do not use the term "sobriety," this concept is an integral part of our sustainability plan, particularly through our goal of minimizing resource use.

As detailed in the Danone Impact Journey, presented in our Universal Registration Document, sustainability is at the heart of our activities and goes hand in hand with performance. We believe that sustainability without economic performance has no impact, and economic performance without sustainability has no future. We integrate sustainability at all levels of planning and execution within the company.

- b. How do you apply the concept of sufficiency in terms of resource use and in your offerings throughout your value chain? Have you calculated the share of your activities (expressed in turnover or equivalent) covered by this concept?

Danone aims to transform its value chain by developing solutions that preserve and regenerate nature, as well as adaptation and mitigation measures that ensure resilience and compliance.

Danone is committed to reducing the carbon intensity of its products by implementing a series of programs targeting packaging, energy use, and raw material sourcing. Sustainability is integrated from the design phase of new products and packaging to minimize the carbon footprint of our innovations. However, to achieve its 1.5°C target and prepare for further reductions beyond 2030, Danone is seeking solutions beyond traditional

decarbonization levers and exploring not only low-carbon processes and ingredients (both dairy and plant-based) but also different evolutions in its business models to create value from low-carbon products. The design and sale of such products involve collaboration between Business Categories and the Procurement and Research & Innovation (R&I) teams, as well as the entire ecosystem of suppliers, start-ups, and academic institutions. Danone's portfolio plays a fundamental role in promoting more sustainable eating habits – that is, nutritious, healthy foods favored by consumers and having a lower environmental impact – and in achieving Danone's climate goals. Danone has already made progress, developing low-carbon products across all its categories in recent years.

In this context, Danone commits to:

- **Integrating the carbon footprint into innovation and renovation processes:** The carbon footprint of products is an integral part of Danone's innovation and renovation cycles, with the goal of offering low-carbon alternatives that provide superior benefits and experiences. The Danprint tool measures a product's carbon footprint throughout its lifecycle and compares different design scenarios. It has been triple-certified by Carbon Trust against the three most stringent standards used by retailers. Danone multiplies product evaluations to pursue its low-carbon product goals.
  - **Designing products with low-carbon ingredients:** Danone continues to develop formulas with attractive nutritional and taste profiles but a lower carbon footprint, such as its new plant-based Fortimel range.
  - **Promoting innovation and cutting-edge technologies:** Danone partners with start-ups and suppliers and invests in their businesses to explore low-carbon innovations such as alternative proteins and other processing solutions.
  - **Reducing food waste in our supply chain:** Danone launched an ambitious global program in 2022 called Battle against waste. It involves stakeholders across the entire supply chain, external partners with suppliers and customers, and leverages internal expertise to halve Danone's food waste.
  - **Water preservation:** Danone pursues actions with (i) achieving operational excellence in all direct production sites through a deployment of its 4R strategy to Reduce, Reuse, Recycle and Reclaim by 2030 and (ii) collaborative preservation or restoration action plans with local communities/smallholders for 100% watersheds located in highly water stressed areas where Danone is operating, by 2030.
- c. Could you provide concrete examples of recent successful actions implemented to integrate sufficiency into your business model? With which indicator(s) do you ensure the effectiveness of these measures? What difficulties have you encountered with your customers or main suppliers in implementing sobriety approaches?

In 2024, Danone began rolling out HowGood's product footprinting solution. This solution automates and streamlines carbon footprint calculations for Danone's products. Leveraging a comprehensive database of over 90,000 emission factors, the platform provides dynamic life cycle assessments (LCAs) that are continuously updated with the latest scientific research. This tool complements the Danprint tool, which has been in place since 2008.

The Research and Innovation teams have also accelerated Danone's progress in packaging: in the United States, the group launched a Silk plant-based beverages in 96oz bottles made with up to 50% of Post-Consumer Recycled content (PCR) and STōK ready-to-drink coffee in 48oz bottle with up to 88% PCR, leading the industry. In the United States, another big project was the harmonization of the yogurt cups for lightweighting and design for recyclability. In Europe, Danone launched re-usable caps for Blédina meals.

Danone has also undertaken several actions to improve its energy efficiency. In 2024, the company has notably increased its share of renewable electricity to 85.7%, now reaching 100% renewable electricity in China, France, Morocco, and Turkey.

However, to achieve its decarbonization goals, Danone must also mobilize the actors in its value chain. Danone recognizes that its suppliers play a crucial role in its Climate Transition Plan, as more than 50% of the reduction commitments it has made according to the 1.5°C trajectory depend on their ability to reduce their own GHG emissions. Committed to fostering sustainable and inclusive growth, Danone forges mutually beneficial partnerships with its suppliers. Transparency, collaboration, and the desire for continuous improvement are the

cornerstones of Danone's supplier engagement strategy.

Since 2017, Danone has conducted evaluations in each country using the Cool Farm Tool (in more than 18 countries) and CAP2ER (in France), covering a total of 92% of the milk volumes directly collected by Danone from farms. In addition to its global regenerative agriculture strategy, Danone prioritizes actions to reduce methane emissions from its fresh milk supply chain. These actions cover herd management, manure management, and feeding, as well as cutting-edge innovations, and can be adapted to each farm.

Between 2015 and 2024, Danone achieved a 24% reduction in emission factors associated with ingredients from its key partner Royal FrieslandCampina. Danone also closely collaborated with Synlait on a project to measure the impact of its regenerative agriculture practices on soil health. By the end of 2024, 82% of Danone's suppliers (by volume) were members of the SDP, and of this number, 36% had already reached stage 3, meaning they had submitted their sustainability program for external review. Finally, in 2023, Danone launched the Partner for Growth program. Focused on sustainability, this program plays a fundamental role in engaging Danone's ecosystem.

Danone also works closely with its retail partners, particularly to identify and target the reduction of plastic packaging. This approach, for example, led to the removal of plastic labels from our Actimel bottles.

To reduce food waste generated in its supply chain, Danone continuously optimizes its processes by raising internal awareness and developing loss reduction capabilities, investing in new manufacturing technologies, reusing and recycling where possible, and redistributing food surpluses. The Battle against waste program mentioned above is monitored through a robust reporting system and is driven by individually assigned objectives at each production site and sales unit. Performance is regularly reviewed at the local and zonal levels, and quarterly at the global level. Danone also signed a collaboration agreement with the Global Foodbanking Network (GFN) with a common global goal: to ensure that food surpluses feed those who need them most and to create bridges between Danone's production and distribution sites and GFN member food banks. Since then, Danone has donated over 13,000 tons of products through the GFN in 14 countries. Finally, all dairy or plant-based products, where possible, are transitioning from "best before" labelling to "preferably before" to reduce household food waste. We support this labelling transition with consumer education campaigns in partnership with Too Good to Go and local retailers.

Finally, in 2024, 99.3% of Danone's production sites had an active 4R action plan to Reduce, Reuse, Recycle and Reclaim water internally or externally to reduce Danone's overall water footprint. For instance, both Danone sites in Belgium, located in Rotselaar and Wevelgem, are equipped with reclaim units. Wastewater is treated using a two-step filtration technology and directly reclaimed as clean water, then re-used in production site processes. This helps close the production site's water loop. As a result, overall water consumption has been halved in Danone Belgium since 2018. In 2024, Danone's Rotselaar site reclaimed 261,000 cubic metres of treated wastewater (277 in 2023) while Wevelgem reclaimed 745,000 cubic metres (540 in 2023), resulting in approximately 1 million cubic metres of wastewater reclaimed (same as in 2023) for both sites. In parallel, in India, considering the risk of water scarcity in Lalru, Danone's Specialized Nutrition production site in the region is continuously optimizing its 4R strategy. In recent years, the site reduced water usage related to production site operations by over half. In addition to reducing and reusing water, the site also harvests rainwater, with the objective of returning twice the amount of water used by the production site to nature through groundwater areas. Most recently, the site installed an innovative water recycling solution for fresh milk condensate, which resulted in the recycling of 17,000 cubic metres/year (13,00 cubic metres/year in 2023).

d. How do you reconcile sufficiency and profitability of your activities?

We believe that while sustainability without economic performance has no impact, economic performance without sustainability has no future. Thus, as part of its Renew strategy, Danone aims for better alignment between its financial performance and its mission. The categories in which the company operates depend on nature, and its consumers are increasingly demanding on this subject. The long-term robustness and resilience of Danone therefore depend on its ability to act sustainably.

Sobriety, which can include waste management policies, CO2 reduction, and regulation of electricity consumption, can help reduce operating costs, such as the cost of raw materials, water, or carbon: there is a significant correlation between the efficient use of resources and improved financial performance. The evian

bottling site is a successful example of environmental and energy management optimization: it is now fully powered by renewable energies, generated by hydropower and biogas. In addition to limiting its environmental impact, this system allows the evian site to avoid energy price fluctuations, as energy prices are no longer directly dependent on gas or electricity prices, and to secure the continuity of its activities by becoming almost self-sufficient in these raw materials.

Danone aims to use its environmental superiority as a lever for differentiation for its products and brands. For example, Danone converted several of its Activia ranges in the UK to 100% recyclable pots, exclusively at Tesco: the brand generated strong double-digit growth at Tesco in 2022, compared to around 5% growth in the rest of the UK.

In 2024, Danone also renewed its core Nutrison range (tube feeding solutions) to meet both patient needs and its carbon footprint reduction goal. By increasing the plant-based protein content of this product, the Group managed to reduce its carbon footprint by an average of 17% compared to the existing range – a reduction certified by Carbon Trust, without compromising the quality of its proteins. With the introduction of this new range, which will replace the current one in many markets by the end of 2025, Danone demonstrates its commitment to continue innovating for patients and gaining market share while reducing the CO2 equivalent footprint of its products.

Finally, to strengthen its competitiveness, Danone has deployed an approach to drive its core range. This includes the prioritization of key platforms, the repositioning of key brands and the review of product portfolio, including the rationalization of least value-creative Stock Keeping Units (SKUs). For instance, about 20% of Dairy SKUs were delisted in Europe, enabling the Group to focus on faster selling products and reduce food wastage associated with slower selling ones, thereby improving the overall efficiency of food production. In this context, Danone posted six consecutive quarters of positive volume/mix and improved profitability in EDP Europe, while advancing its sobriety plan.

## **Question 2 : Decent Living Standard**

A decent living standard is partly ensured by the payment of a decent wage, but not only that: social protection, financial benefits, etc.

As a reminder, a decent wage is defined by the Global Living Wage as "*The remuneration received for a normal work week by a worker in a given location, sufficient to afford a decent living standard for the worker and their family. The elements of a decent living standard include food, water, housing, education, healthcare, transportation, clothing, and other essential needs, including provision for unexpected events.*" This remuneration must also allow the worker and their family to participate in social life (leisure, access to communication, etc.).

A decent wage, whose amount varies from one place to another, should therefore not be confused with the minimum wage that may be adopted at a national level. The entire question concerns:

- The employees in your value chain (excluding your own staff), upstream (employees of suppliers, service providers, subcontractors, etc.) and downstream (franchises, etc.)
- Non-salaried personnel such as independent workers, temporary staff, or contract workers. The question therefore does not concern the salaried staff of your company and its subsidiaries.

- a. How do you ensure a decent living standard (decent wage, social protection, precautionary savings, and other benefits such as housing assistance) for these workers? Which workers are concerned (tier 1, 2, and 3 suppliers, all your strategic suppliers, non-salaried personnel, etc.)?

Main criteria evaluated:

- Adopted methodology: definition of a decent wage, partnership with an organization (FWN, GLW, etc.), etc.
- Measures implemented
- Role of social partners

First, it is important to note that Danone offers its employees comprehensive, competitive and fair compensation based on Mercer evaluation system of evaluating and classifying jobs, taking into account regulations, requirements as well as external market developments and the local context of the subsidiaries. Two policies

establish the basis of adequate wages: the

[Danone Sustainability Principles Policy](#) and the Human Rights Policy. Granting a living wage or at least the applicable legal minimum or standard pay is part of the DSP described in section Human rights of our 2024 Universal Registration Document.

Regarding non salaried and value-chain employees, in addition to the nine Global Framework Agreements signed by Danone with the International Union of Food, Agricultural, Hotel, Restaurant, Catering, Tobacco and Allied Workers'

Associations (IUF), the 2005 common statement dedicated to Fundamental Social Principles applies to workers in the value chain. This set of principles addresses: child labor, forced labor, discrimination, freedom of association and the right to collective bargaining, health care and safety at work, working hours, and pay. It has been integrated into the [Danone Sustainability Principles](#) (DSP) and Danone's [Sustainable Sourcing Policy \(SSP\)](#), both of which are included in supplier contracts.

Published in June 2024 after a pilot phase and available on Danone's website, the SSP evolved from the DSP and sets the standards across the social, environmental and business ethics pillars for Danone's suppliers. This update aims to transform the food value chain by stipulating only working with like-minded partners and suppliers who meet, or actively work towards meeting, the mandatory requirements.

Danone has committed to have its SSP deployed to all suppliers by 2030. The Group's SSP was developed in 2023 via a process involving external stakeholder engagement and peer benchmarking in addition to internal cross-functional engagement. It was approved by the Global Engagement Committee in October 2023 and presented to the Board of Directors CSR Committee in June 2024. In 2024, 100% of Danone employees are at or above the living wage level, according to the Fair Wage Network methodology for fair wages. It should also be noted that obtaining Fair Wage network certification for all Danone employees in 2025 is part of the criteria for the CEO's annual variable compensation.

The scope of the SSP covers all Tier 1 suppliers excluding those specifically covered by the DSP, such as farmers and other business partners (public administration with no industrial and commercial activities, distributors, retailers, etc.).

The SSP goes further than the DSP and provided an opportunity for further engagement with internal and external experts, NGOs, and worker representatives. As a result, some additional provisions have been added for certain core mandatory requirements. For example, with regard to wages, the SSP specifies that they must be paid on time and in full, directly to workers, and that any deductions that are not legally mandated require workers' consent.

Danone recognizes the critical role suppliers must play in implementing the SSP across its extended supply chain. Accordingly, suppliers are required to cascade mandatory requirements equivalent to the SSP within their own supply chains.

From a social perspective, ten principles have been identified in the SSP, including the payment of a decent wage and at least the applicable legal or standard minimum wage. As explained in our Policy at page 22, Wages and benefits paid for a standard working week meet, at a minimum, national legal standards or industry benchmark standards, whichever is higher, and workers are paid a fair wage, as compared to standard pay practices in the industry/ country.

All workers receive and understand their pay slip for each pay period which clearly indicates the components of their compensation, including exact amounts for wages, benefits, incentives/bonuses, and any deductions.

All wages are paid on time and in full each pay period. All payments are made directly to all workers in legal tender or into a bank account in their name. All legally required and/or industrial common benefits are provided to all (relevant) workers, including but not limited to pension, housing allowance, paid leave, occupational allowance, etc.

Finally, other than legally mandated deductions, all other deductions from wages are made only with the express and written consent of the workers. Wage deductions for disciplinary reasons are not allowed, including production errors, not following work procedures or loss/damage of equipment.

- b. Have you identified and mapped the risks and obstacles to paying a decent wage and providing social

benefits in your value chain (examples: high-risk jobs, high-risk countries, local regulatory context, inflation, competitiveness, opacity of supplier practices, etc.)? What specific measures do you take to mitigate the risks associated with these jobs (annual review and correction of discrepancies, implementation of incentive measures for suppliers, etc.)?

Through its salient human rights assessment, Danone has identified the material gross (before any actions taken by Danone) negative impacts related to its value chain workers.

Within this assessment, we recognise that there is a risk that workers or farmers in Danone's value chain may not receive a decent wage and therefore may not be able to meet their essential needs or those of their families.

This issue could affect external on-site workers (subcontractors), as well as other workers in Danone's value chain, and could result from delayed payments, abusive deductions, time-based or piece-rate remuneration, or the level of wages paid. The remuneration difficulties of producers are often linked to the purchase price of the raw materials produced. In developing countries, this impact particularly affects the agricultural and waste management sectors. In developed countries, it more often concerns workers involved in transport (truck drivers) and logistics activities.

To minimize risks and as part of its RESPECT program, Danone implements a due diligence process for responsible sourcing to ensure that its tier 1 suppliers (excluding milk producers) comply with Danone's Sustainable Development Principles and, gradually, its Sustainable Sourcing Policy.

This approach involves collaborating with suppliers, evaluating them, conducting audits, and addressing critical non-compliances identified during these audits.

The RESPECT program is structured around four main pillars:

1. **ESG risk assessment of tier 1 suppliers:** In 2024, Danone strengthened its RESPECT program by introducing a new ESG risk analysis tool that, once fully deployed, will enable a more adapted and proactive due diligence process, focusing on human rights impacts.
2. **Self-assessments:** Danone requires tier 1 suppliers to complete a self-assessment questionnaire on their sustainability performance via the Sedex (Supplier Ethical Data Exchange) platform or the EcoVadis platform, depending on their category. These platforms generate dashboards that evaluate dimensions related to labor standards, health and safety, environmental practices, and business ethics. By the end of 2024, 3,159 supplier entities were registered on the Sedex or EcoVadis platforms, representing 70.8% of the Group's spending, compared to 3,511 in 2023, representing 69% of spending.
3. **On-site evaluations commissioned by Danone and conducted by third-party experts:** Danone identifies high-risk or highly prioritized suppliers to conduct on-site evaluations (audits). The 2024 audit plan was designed according to the internal analysis approach in place since 2020, which combines human rights risks and spending levels. Based on this analysis, the RESPECT program team collaborated with procurement teams worldwide to establish the 2024 audit plan, selecting 100 high-risk or highly prioritized sites, of which 92 were subject to on-site or virtual evaluations.
4. **Ongoing dialogue with suppliers and follow-up on corrective actions:** Following audits, Danone aims to establish regular dialogue with its tier 1 suppliers on their responsible business practices and monitor the implementation of corrective actions identified during audits, including those commissioned by its peers on common suppliers. To support suppliers and follow up on audits, the RESPECT team has dedicated resources in Asia and Latin America, helping suppliers develop their corrective action plans, providing expertise, and regularly engaging with them.

Additionally, the group has developed dedicated programs for farmers. Danone maintains close and long-standing relationships with its partner farmers, particularly smallholders, and recognizes the essential role they play in the global food system and economy. Danone works with producers in the United States and Europe to develop innovative contracts, averaging three to five years, to reduce milk price volatility and provide farmers with greater visibility and financial stability. These long-term contracts, known as CPM (Cost Performance Model), take production costs into account in setting the milk price and are established with farmers or their organizations. In 2024, 38% of the milk collected in Europe and 32% of the milk collected in the United States came from producers under CPM contracts. Overall, 24% of the milk collected by Danone was covered by CPM contracts. These CPM contracts are expected to be extended to ensure greater resilience of the milk supply chain.

- c. Is ensuring a decent living standard a criterion in the selection of your suppliers or subcontractors? To what extent is this criterion decisive in your choice?

The Sustainable Sourcing Policy aims to transform the agri-food value chain by requiring exclusive collaboration with partners and suppliers who share the same values and who comply with, or actively strive to comply with, regulatory requirements.

Ten social principles have been identified in our Sustainable Procurement Policy, including the payment of a decent wage and at least the applicable legal or standard minimum wage.

In 2023, Danone committed to deploying its Sustainable Sourcing Policy across all its suppliers by 2030. This policy, along with the Danone Sustainability Principles, is included in supplier contracts. Danone recognizes the essential role of its suppliers in implementing its Sustainable Sourcing Policy throughout its supply chain. Therefore, suppliers are required to cascade equivalent mandatory provisions of this policy within their own supply chains.

Finally, Danone strongly encourages workers in its value chain to report any actual or suspected violations of the Sustainability Principles or the Sustainable Sourcing Policy.

- d. If you have adopted a policy to guarantee a decent living standard for all or some of the workers in your value chain/independent workers, what results have you achieved? What is your roadmap for the future (measures and quantification, example of indicators, monitoring of indicators and progress, expansion of the scope, etc.)? How do you ensure that the commitments made by your suppliers, subcontractors, and franchisees are implemented? In the event of a controversy regarding a supplier, how do you resolve the situation (termination of the contract, dialogue and engagement, etc.)?

As explained above, Danone implements a due diligence process for responsible sourcing to ensure that its tier 1 suppliers (excluding milk producers) comply with Danone's Sustainable Development Principles and, gradually, its Sustainable Sourcing Policy.

This approach involves collaborating with suppliers, evaluating them, conducting audits, and addressing critical non-compliances identified during these audits. Since 2017, Danone has evolved the RESPECT program towards a more comprehensive due diligence approach and has strengthened its human rights requirements. This approach is in line with the United Nations Guiding Principles on Business and Human Rights (UNGPs).

The RESPECT program is structured around four main pillars: (i) ESG risk assessment of tier 1 suppliers, (ii) self-assessments, (iii) on-site evaluations commissioned by Danone and conducted by third-party experts, and (iv) ongoing dialogue with suppliers and follow-up on corrective actions. You will find the details of each of these points in question b).

Below is the list of non-conformities:

<b>Non-conformities</b>	<b>2023</b>	<b>2024</b>
Total number of critical non-conformities identified	452	480
<b>Percentage of critical non-conformities related to</b>		
Forced labor	1.3%	2.7%
Child labor	0.7%	0.4%
Health and safety	65.9%	58.3%
Discrimination	1.1%	0.6%
Freedom of association and the right to collective bargaining	—%	—%
Working hours and compensation	21.5%	28.1%
Environmental practices	6.6%	5.8%
Business ethics	—%	—%
Other	2.9%	3.7%

All the critical non-conformities reported above are followed up: they have either been resolved or are in the process of being remedied with the suppliers.

Danone prioritizes a collaborative approach and fosters a culture of continuous improvement. However, in the event of a breach, in the rare cases where Danone deems that a Supplier or Subcontractor is not committed to remedying the situation, the Group takes necessary actions, which may entail ending a commercial relationship.

**Question 3 : Sustainability governance**

- a. Do you publish a skills matrix for the directors? Is it nominative (by director)? Does it present in a granular manner the skills related to sustainability (detailing the skills of each director beyond CSR/ESG/sustainability: climate, biodiversity, human rights, diversity and inclusion, energy transition, social and value chain, financial impact of climate, etc.)?

In its Universal Registration Document (see 2024 URD p. 380), Danone publishes the following matrix of Board Directors' expertise. This was revised in 2022 to present only the 5 main areas of expertise of each Director:

	Antoine de SAINT-AFFRIQUE	Gilles SCHNEPP	Frédéric BOUTEBBA	Valérie CHAPOULAUD-FLOQUET	Gilbert GHOSTINE	Lise KINGO	Patrice LOUVET	Sanjiv MEHTA	Géraldine PICAUD	Susan ROBERTS	Bettina THEISSIG	Total (in numbers)	Total (in %)
<b>Core skills</b>	<b>Governance/Leadership</b>	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	8	73%
	<b>International experience</b>	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	9	82%
	<b>Audit, accounting and risk management</b>		✓				✓	✓	✓			5	45%
	<b>Strategy/M&amp;A</b>	✓	✓	✓	✓				✓			5	45%
<b>Sector-specific skills</b>	<b>FMCG/Food &amp; Beverage industry</b>	✓		✓	✓		✓	✓		✓	✓	8	73%
	<b>Brand management/Customer-consumer focus experience</b>	✓		✓	✓		✓	✓			✓	6	55%
	<b>R&amp;D, Health &amp; Innovation</b>					✓				✓	✓	3	27%
	<b>CSR/Climate</b>		✓			✓	✓		✓	✓	✓	6	55%
<b>Membership on Board Committees</b>	<b>Audit Committee</b>				●			●	●			3	
	<b>Nomination, Compensation and Governance Committee</b>			●	●		●					3	
	<b>CSR Committee</b>				●	●				●	●	4	

Committee Chair: ●  
Committee member: ●

The expertise of each of the Directors is then developed in their biographies in paragraph 6.2 of 2024 URD (p. 396 to 406).

- b. On what basis do you consider that a director has justified skills in CSR or sustainability? Have you defined prerequisites/criteria for each of these skills? If so, what are they?

Prior to each appointment of a new Director, the Nomination, Compensation and Governance Committee, with the support of one or more specialized recruitment firms, determines the skills, expertise and profiles to be added to the Board. In view of current social and environmental challenges, and given the experience of each member, all Directors have acquired CSR skills, with varying degrees of expertise. In addition, those who hold operational positions in other groups benefit from greater exposure to these issues.

Directors themselves determine their main areas of expertise (limited to 5 according to the matrix of areas of expertise and experience above). These are then reviewed by the Nomination, Compensation and Governance Committee and the Board of Directors, taking into account the Directors' professional experience and their current and past functions.

- c. For each director possessing sustainability skills (mentioning their first and last name), could you list the



specific skills as well as the nature of these skills (experience, scientific/research profile, regulatory expertise, specialized training)?

Danone Board of Directors includes 6 Directors out of 11 with CSR expertise, acquired mainly through their professional experience in companies outside Danone Group.

Name and surname	Specific skill
<b>Gilles SCHNEPP</b>	<ul style="list-style-type: none"> <li>From 2018 to 2021, he was Chairman of MEDEF’s Ecological and Economic Transition Commission and member of its executive committee (see <a href="#">2024 URD p.405</a>).</li> </ul>
<b>Gilbert GHOSTINE</b>	<ul style="list-style-type: none"> <li>From 2014 to 2023, he was Chief Executive Officer of Firmenich and contributed to making Firmenich a leader in environmental, social and governance issues (see <a href="#">2024 URD p.398</a>).</li> </ul>
<b>Lise KINGO</b>	<ul style="list-style-type: none"> <li>Has worked within Novo Nordisk for over 25 years, holding positions in environmental affairs and sustainability. She played a key role in defining the company’s sustainable business strategy;</li> <li>Was between 2015 and 2020 Chief Executive Officer and Executive Director of the United Nations Global Impact, the world’s largest sustainability initiative, uniting business to create a better world through universal principles and the UN Sustainable Development Goals;</li> <li>Was a professor in sustainability and innovation at Vrije University in Amsterdam from 2006 to 2015 (see <a href="#">2024 URD p.399</a>).</li> </ul>
<b>Géraldine PICAUD</b>	<ul style="list-style-type: none"> <li>Chief Executive Officer of SGS since March 2024, she had joined the group as Chief Financial Officer in December 2023 with a broader scope including sustainability;</li> <li>Under her leadership, SGS has launched several services to help companies to comply with ESG reporting standards (Environment, Social, Governance) and CSRD (Corporate Sustainability Reporting Directive). These include the IMPACT NOW suite, a series of solutions designed to help companies improve their sustainability practices (see <a href="#">2024 URD p.402</a>).</li> </ul>
<b>Susan ROBERTS</b>	<ul style="list-style-type: none"> <li>PhD in Nutrition from the University of Cambridge;</li> <li>Associate Dean for Foundational Research, Professor of Medicine and Epidemiology, Geisel School of Medicine, Dartmouth College, Adjunct Professor of Nutrition, Frideman School of Nutrition Science and Policy at Tufts University in the United States;</li> <li>Internationally renowned nutrition researcher and recipient of numerous prestigious awards for her major contributions to research in the field of nutrition;</li> <li>Co-leads a consortium of scientists working to understand the physiology of the weight-reduced state and co-leads the International Weight Control Registry, which is collaborating with scientists in 19 countries to identify successful weight management practices in different cultures;</li> <li>Co-owns iDiet, a behavioral weight-loss platform;</li> <li>Has served on national and international committees for dietary recommendations (see <a href="#">2024 URD p.403</a>).</li> </ul>
<b>Bettina THEISSIG</b>	<ul style="list-style-type: none"> <li>Began her career in 1978 in the industrial sector within Milupa GmbH</li> </ul>

(before it became part of Danone Group) and joined the Milupa Works Council in 2022;

- Chair of Danone Deutschland/HQ Frankfurt Works Council, Chair of the Danone's Deutschland Central Works Council;
- Health Officer and Representative to the Works Council of Danone's sites in Germany;
- Representative of employees with disabilities since 1998 (see [2024 URD p.402](#)).

d. Regarding transparency:

Each year, Danone publishes a detailed biography of each of its Board Directors on its website and in its Universal Registration Document (see [2024 URD p.396 to 406](#)). These biographies include a full description of the career paths and specific skills of each Board member. In addition, the URD presents a matrix of the Directors' areas of expertise and experience (limited to 5 main areas of expertise per Director).

Lastly, the skills of our Directors are assessed each year as part of the preparation of the URD. This self-assessment by the Directors includes updating their skills matrix and justifying their expertise.

Question 4: Artificial Intelligence Governance

**a. Vision/Mastery:**

- What activities and professions in your company are already impacted by the use of AI?
- Which ones will be impacted by the use of AI in less than a year, in the medium term (between one and three years), and in the long term (more than three years)? Which ones, in your opinion, will not or will be minimally impacted in the near future?

**b. Impacts:**

- Have you measured the current direct and indirect impacts generated by the use of AI by your company on energy consumption (notably electricity and water)? Have you made projections of the evolution of energy consumption resulting from the use of AI? Over what timeframes? Please provide quantified information.
- Have you identified the social consequences of the use of AI by your group?
- What ethical issues are raised by the use of AI by your company?
- For each of these three areas (energy, social, and ethical), do you integrate the potential impacts identified into your investment decisions? What organization have you put in place and what measures have you taken to reduce or eliminate the impacts (please be specific and illustrate your points with appropriate examples)?

**c. Dependency:**

- How many AI systems do you use?
- Have you anticipated a potential dependency on your AI system suppliers?
- If so, how have you responded or do you plan to respond to this risk?

**Our Approach to Artificial Intelligence**

At Danone, we adopt a pragmatic approach to artificial intelligence (AI), considering the value at stake and recent advancements. We believe that AI will transform not only our company but also our entire ecosystem (consumers, patients, healthcare professionals, retailers, suppliers, and more). We see AI as an enabler to fulfill

our mission of bringing health through food to as many people as possible. We think it will be a true catalyst to accelerate the transformation of our capabilities, deepen our scientific expertise, develop new products faster, better understand and analyze consumer insights, and transform our marketing approach.

### Training Our Employees as a Priority

The number one priority for the best adoption of AI lies with our employees and their awareness through learning. Danone trains all its employees in AI while providing them with AI tools to help them in their daily activities: learning and adopting AI through practice.

We have [announced a multi-year collaboration with Microsoft](#) to integrate artificial intelligence (AI) across all of Danone's activities. Through this collaboration, we have launched the Danone Microsoft AI Academy, dedicated to the continuous training of all Danone employees to ensure they all have access to new digital tools, which have become essential for thriving in this AI-driven work environment. We have thus expanded learning opportunities and strengthened AI expertise at all levels of the organization, benefiting all employees. Today, 50,000 Danoners have daily access to AI, thanks to advanced tools such as Microsoft Copilot, and we have established a network of 500 "AI Champions" to support new uses in each function.

This initiative complements [the "DanSkills" program, recently launched by Danone](#), designed to train its employees for the upcoming skills revolution and prepare to fill the 2,500 new roles in Europe - including more than 500 in France - that the company anticipates needing by 2027. Anchored in Danone's dual economic and social project and as part of the commitments of the Danone Impact Journey, the "DanSkills" program is open to all employees, worldwide, throughout their careers. By 2030, Danone aims to reallocate 1 million hours of training each year so that its employees can acquire the skills of tomorrow, particularly in digital technologies. In total, Danone estimates it will need to allocate a budget of 100 million euros to train its employees for the jobs of tomorrow by 2030.

### Our Collaboration with AI Stakeholders

The Group collaborates with several AI stakeholders. In particular, through its collaboration with Microsoft, Danone aims to equip itself with cutting-edge AI solutions and identify use cases for all of the company's functions. Initially, Danone and Microsoft are exploring the creation of an AI-enabled supply chain aimed at improving operational efficiency through a smarter, more responsive approach to managing logistics and manufacturing processes, involving forecasts, real-time adjustments, and operational streamlining.

As good use of AI requires quality data, Danone announced at the Data Intelligence Day in Paris in April 2025 that it would adopt [Databricks' Data Intelligence Platform](#). Through this collaboration, the Group aims to improve data accuracy and collection and reduce the time between data collection and decision-making by about 30%.

Furthermore, the Group has created a community of AI specialists among its employees to monitor the evolution of the AI startup ecosystem and establish new collaborations.

### Deploying AI Within Our Activities

The Group has begun exploring several AI use cases in different functions and activities, including the following examples:

- **AI for Our Consumer-Centric Digital Marketing Strategy:** By using new AI models, we offer hyper-personalized consumer journeys at scale and are able to better understand and analyze consumer preferences and behaviors and adapt our marketing campaigns. A recent digital campaign for Actimel in the UK saw a 50% increase in engagement, a 6% increase in sales, and a 70% increase in search volume. In addition to this increased engagement, with generative AI, we reduce marketing asset production time by up to 50% and achieve efficiency gains of around 25%.
- **AI for Better Forecasting Raw Material Costs:** We have developed over 500 raw material cost models and are able to deploy AI to continuously iterate them based on commodity movements, achieving in days what used to take months, so that business planning can be as fast as generating COGs (cost of

goods sold) forecasts.

- **AI for Science and Health:** We are redefining science by applying advanced AI models to stimulate innovation and change the way we design, create, and test our products, accelerating their time to market and ensuring high-quality, healthy products for our consumers and patients. By integrating science, consumer insights, and advanced AI, our R&D centers drive groundbreaking innovations, ensuring our products are both superior and healthy.
- **AI for Sustainability:** As we accelerate our digital transformation and use of AI, we ensure that sustainability remains front of mind. For example, Danone's factory in Opole, Poland, has implemented AI-based technologies to develop eco-friendly materials and optimize packaging processes. This approach supports the goals of our Danone Impact Journey to reduce our environmental footprint and leads to significant improvements in energy efficiency and waste reduction across our operations.
- **AI in Our Operations:** We have begun using AI at several levels of our operations: in our procurement processes, for product assortment optimization, and in our integrated planning centers and shared service centers.

## Our AI Governance

In 2024, the Group established AI governance with the creation of an AI Committee led by a diverse team of cross-functional leaders (from different functions, regions, combining experts and learning professionals) and chaired by our Vice President in charge of IT and Data, with the aim of establishing the right AI governance strategy and responsible AI use.

We have defined several guiding principles, including:

- **Making our employees AI-enabled:** as explained above, this is the number one priority for the best adoption of AI within the company and relies on learning, upskilling, and change management for all employees.
- **Improving data quality and technological capabilities:** as explained above, good use of AI requires high-quality data.
- **Implementing responsible AI:** to address ethical, sustainability, risk management, and mitigation issues (cybersecurity, privacy, compliance with the AI Act, etc.).

To ensure ethical use of AI among all employees, the group has developed an e-learning module titled "Responsible AI: ethics, legal, compliance, and cybersecurity" within its digital training platform Campus X. This module provides all the necessary information to navigate the complexities of AI and use it responsibly, including:

- Identifying and applying ethical principles in the use of AI technologies,
- Recognizing and mitigating legal risks associated with AI,
- Implementing best practices for AI security and data protection.

## Question 5

- a. Following the lawsuit filed by certain NGOs regarding plastic management, you made commitments after the court-imposed mediation. What are the implications for your plastic waste reduction policy and, more broadly, for packaging reduction?

On January 9, 2023, the Judicial Court of Paris ordered a mediation process involving Danone and three NGOs: ClientEarth, Surfrider Foundation Europe, and Zero Waste France. The legal proceedings were brought against Danone concerning its vigilance plan regarding plastic. In February 2025 an agreement was reached between the parties, ending the procedures. This agreement involves reinforcing the vigilance plan.

Thanks to an open and transparent discussion with the three NGOs, the plan now describes in greater detail the consequences of the use of plastic packaging. It outlines and provides more visibility to all the actions, initiatives,

and projects that Danone is implementing in this area.

Pioneers in packaging management, the Group continues to address this issue with the utmost attention and operates on four levels, as indicated in the vigilance plan (see from page 352 of [our 2024 Universal Registration Document](#)):

1. Reducing the use of plastics, particularly virgin plastics,
2. Improving the circularity of plastics that cannot be eliminated,
3. Recovering what is not kept in circulation, fighting against leakage into nature,
4. Providing direct support to workers in the collection and recycling sectors, thereby improving their working and living conditions while reducing releases into nature.

Building on the progress made in recent years and its experience, Danone continues its transition towards a circular and low carbon packaging system while aiming to recover as much plastic as it uses. This approach is outlined in the sustainability strategy, the Danone Impact Journey, which sets out three main objectives:

- 100% reusable, recyclable, or compostable packaging by 2030;
- Halve the use of virgin fossil-based packaging by 2040, with a 30% reduction by 2030 compared to 2020; by accelerating reuse and recycling.
- Lead the development of effective collection systems to recover as much plastic as Danone uses by 2040

The Group acts on several levers:

- Reducing the use of plastic, particularly virgin plastics:
  - By eliminating problematic or unnecessary packaging, such as plastic spoons and sleeves on Actimel bottles.
  - By replacing plastic packaging with alternative materials, such as glass bottles and metal cans.
  - By optimizing the design of our products to use fewer materials without compromising product protection.
- Improving the circularity of plastics that cannot be eliminated:
  - By developing reuse:
    - About 50% of the water volumes sold by Danone are already in reusable packaging.
    - We continue to deploy returnable glass packaging for our waters in the hospitality sector in France and are working to extend this system in Spain and Indonesia.
    - We have launched over 15 reuse pilot projects for our waters, dairy products, and infant nutrition products, in collaboration with start-ups and retailers like Carrefour and Loop Terracycle.
  - By increasing the use of recycled materials:
    - evian became the first brand to use recycled PET for natural mineral water in France in 2008.
    - Danone continues to strengthen the integration of recycled materials in its containers.
    - Danone also actively supports new recycling technologies that allow the recycling of difficult-to-recycle packaging and materials, in partnership with companies such as Loop Industries and Eastman.
- Strengthening the collection of plastic and, ultimately, its recycling:
  - By co-building and co-financing effective collection systems with all stakeholders:
    - We were the first to promote the circular approach to packaging by creating the first extended producer responsibility (EPR) system in France in 1992 (Eco-emballages, now Citeo).
    - Danone participates in the financing of end-of-life plastic collection by paying EPR fees in markets where this obligation is regulated. Danone actively promotes deposit systems for water bottles and leads pilot initiatives to demonstrate their effectiveness to policymakers, as done in Poland.
    - In the United States, Danone is a founding member of the Circular Action Alliance (CAA), a producer responsibility organization (PRO) approved by certain states.
    - In markets where EPR is not regulated, Danone has voluntarily invested in impact funds such as Circulate Capital initiatives in Southeast Asia and Latin America (a total of \$30 million) to

develop the collection and recycling sectors in these countries.

- b. Your initial goals for 2025 regarding recyclability, compostability, and the reduction of virgin fossil-based packaging have been postponed to 2030. What technical, economic, or commercial difficulties prevented you from achieving them within the planned timeframe?

Danone is fully committed to reducing the use of virgin plastic and driving the transformation towards a circular and low-carbon packaging system.

Since 2018, Danone has demonstrated tangible progress in key areas such as reducing virgin plastic, reuse, recyclability rates, and recycled content.

- **Reduction of virgin plastics:** Between 2018 and 2024, we reduced plastic packaging usage by 11% and virgin plastic from fossil resources by 21%, thanks to weight reduction, reuse, and incorporation of recycled content initiatives. For example, Danone's leading water brands, such as evian, Volvic, Font Vella, Lanjaron, and Żywiec Zdroj, launched lightweighting programs and reduced the weight of their 1.5-liter bottles by more than 10% since 2019. Large formats have been developed for the Waters category. The 8-liter Volvic format, for example, reduces plastic per liter by 25% compared to the 1.5-liter format. We removed sleeves from our Danacol and Actimel bottles in Europe, reducing a total of 1,000 metric tons of plastic.
- **Packaging design:** In 2024, 85% of Danone's packaging was reusable, recyclable, or compostable. This figure is 76% for plastic packaging (compared to 66% in 2018).
- **Collection systems:** Through our Danone Impact Journey, we have also strengthened our commitment to leading the development of effective collection systems to recover as much plastic as we use by 2040. Thus, in 2024, 60% of the plastic the group put on the market was recovered. In France, we have been advocating for many years for the implementation of a mixed deposit system on natural mineral waters to notably increase effective recycling and accelerate the integration of recycled material. We have implemented deposit experiments for reuse and bulk (Danone, Les 2 Vaches, evian, Badoit) to understand the issues and accelerate their deployment.

However, the Group, like many other companies, faces systemic barriers, ranging from the underdevelopment of reuse, collection, and recycling infrastructures to the scarcity of recycled material. To overcome them, collective action is necessary at all levels of the value chain, involving companies, policymakers (notably through regulation), distributors, waste collection services, and consumers. Thus, several elements are necessary to accelerate the transition:

- Robust and standardized regulation, including well-designed Extended Producer Responsibility (EPR) systems and deposit systems for water bottles, to eliminate any competitive distortion.
- The development of collection, reuse, and recycling infrastructures, as well as the creation of supply chains for reuse in certain markets.
- New recycling technologies to be developed to improve the recycling of difficult-to-recycle packaging and materials.
- Solutions to encourage consumer engagement, particularly regarding reuse and recycling.

This is why, since 2020, Danone has been advocating with WWF and EMF for an ambitious and binding United Nations treaty on plastics, which would be a major opportunity to unlock and accelerate progress in plastic circularity and reduce plastic pollution globally.

- c. Danone aims to make 100% of its packaging reusable, recyclable, or compostable by 2030. However, a large portion remains single-use. What is your roadmap for complying with regulatory obligations banning single-use plastics by 2040 in France? Will these actions be extended globally?

Globally, the group aims to halve the use of virgin fossil-based packaging by 2040, with a 30% reduction by 2030 compared to 2020 by accelerating reuse and recycling.

### **Towards More Reuse**

Beyond our returnable glass offerings in the Café Hotel Restaurant circuits, we are working on reuse by testing and proposing alternatives to single-use packaging and new means of marketing and consumption. We believe that reuse solutions can only develop at the market level, collectively. In France, we are working on several

projects with other partner companies, including:

- The reuse deposit initiative in supermarkets with the "Reuse" approach initiated by CITEO, in which we have participated since its launch.
- The Défi Vrac coalition, which brings together several stakeholders with the aim of developing bulk sales of "liquid, semi-viscous, and spreadable" products in supermarkets for our yogurts.

### **Making Our Packaging More Recyclable**

Our goal is to have 100% of our packaging reusable, recyclable, or compostable by 2030 worldwide. In 2024, 85% of Danone's packaging was reusable, recyclable, or compostable. For plastic packaging, this proportion was 76%. In the Waters category, about 50% of volumes were sold in reusable packaging in 2024.

### **Reducing Our Packaging and Incorporating More Recycled Materials**

In France, we are acting on our various categories by:

- Offering large formats like the Volvic 8L.
- Reducing the weight of our packaging while maintaining their superior usability, such as the label-free Actimel bottle launched in 2023, reducing plastic by 107 tons per year.
- Incorporating recycled materials: since March 2024, 100% of the evian range is made from recycled plastic (rPET) (excluding cap and label).

Increasing the recycled content is essential to extend the lifespan of packaging and reduce the amount of mismanaged materials.

- In the Waters category, we met our commitment to reach an average of 25% rPET in 2020.
- Danone continues to incorporate recycled materials into its cups portfolio, with the commercialization of PET cups containing 30% rPET in France and Belgium.
- The Group has continued the launch of bottles made from 100% rPET. Since 2021, Danone's leading water brands all have at least one format made from 100% recycled materials in countries where this is permitted.
- Danone also actively supports new recycling technologies that enable the recycling of difficult-to-recycle packaging and materials, in collaboration with companies such as Loop Industries and Eastman.

### **- QUESTION FROM L'IPAC -**

What is the amount of taxes and contributions paid by our group to the Russian Federation and its local authorities since the beginning of 2022?

Since 2022, Danone has published an annual Tax Transparency Report. As indicated in our [2022](#) and [2023](#) reports, available on our website, the total amount of taxes and contributions in Russia amounted to 102 million euros in 2022 and 43 million euros in 2023, compared to approximately 3.6 billion euros worldwide for each of these two years.

The 2024 report has not yet been published and should be published around the summer of 2025.

It should be noted that the Group finalized the sale of its EDP activities in Russia on May 17, 2024, and that the EDP Russia activities were deconsolidated on July 16, 2023.

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