



# 2024 DANONE MISSION COMMITTEE **REPORT**

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*This is the fifth Mission Committee report, an occasion to look back and forward at Danone's performance on the objectives the company deems central to its success and to which it has committed to achieving in accordance with its Société à Mission status, in four areas: health, planet, social topics and inclusiveness.*

*Looking back, we can report that Danone has successfully delivered on its commitments: in 2024, its trajectory is in line with or above all the targets we have agreed to monitor, with the exception of the internal e-learning objective, a situation which should be remedied this year. We also consider our interaction with the top management teams and with the third-party auditor to be of high quality whether on substance or on process – in 2024, for example, with deep-dives into topics such as regenerative agriculture or circular low carbon packaging.*

*Looking forward, 2025 will be an important milestone for four reasons:*

- It will be the moment when the new 2026-2030 cycle of objectives, targets, and KPIs in the four areas mentioned above will be prepared by Danone in consultation with us. We intend to make sure that Danone's present level of ambition is sustained.*
- It will be important for Danone to maintain its efforts in order to be able to deliver on its 2025 targets, notably those related to reduction of sugar in children's products, informed nutritional choices, GHG emissions, and vulnerable members of the value chain.*
- 2025 is also the year where Danone aspires to become a globally certified B Corp – a significant milestone in a ten-year journey.*
- The authorizing environment is more challenging than in the past. Geopolitical developments, regulatory instability and political pressures in some countries risk downgrading the value placed on non-financial performance.*

*I also can report that the Committee has been duly and openly informed on two issues that have attracted public attention: the withdrawal of the Nutri-Score nutrition label from Danone's dairy and plant-based drinkable products, and the agreement between Danone and three NGOs to end the legal proceedings concerning Danone's vigilance plan regarding plastic packaging.*

*Let me conclude, as in previous years, by thanking my colleagues for their dedication, Danoners for their hard work, and the auditor's teams for their sensible approach.*

**PASCAL LAMY**

Chair of the Mission Committee

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# DANONE'S PURPOSE AND OBJECTIVES AS A **SOCIÉTÉ À MISSION**



## LEGAL FOUNDATION

The French *Société à Mission* status is defined by articles L.210-10 *et sq.* of the French Commercial Code, introduced by the May 22<sup>nd</sup>, 2019 law, commonly known as the “PACTE” law. It requires that a company adopting this status:

- define a purpose (*raison d'être*) and write it into the company's bylaws.
- include in its bylaws social and environmental objectives aligned with that purpose.
- create a mission committee responsible for monitoring progress made towards achieving these objectives.
- appoint an independent third party to verify that the mission is carried out.

## PURPOSE AND OBJECTIVES

Danone's dual project of pursuing both business success with social progress has given rise to major sustainability commitments and innovations since Antoine Riboud's 1972 speech. In 2020, adopting the *Société à Mission* status was a logical and natural step for Danone. Within this new status, Danone confirmed “bringing health through food to as many people as possible” as its purpose (*raison d'être*).

The social and environmental objectives that Danone adopted as a *Société à Mission* (called the “mission”) are aligned with the United Nations' Sustainable Development Goals (SDGs), and cover four themes related to health, environment, social topics, and inclusiveness.

Each statutory objective is broken down into operational objectives, and into medium- and long-term trajectories, with annual milestones. These are aligned with the mid- to long-term objectives defined in the Danone Impact Journey, the company's sustainability strategy published in February 2023.

The statutory mission objectives are as follows:

- **Impact people's health locally** with a portfolio of healthier products, with brands encouraging better nutritional choices, and by promoting better dietary habits.
- **Preserve and renew the planet's resources** by supporting regenerative agriculture, protecting the water cycle, and strengthening the circular economy of packaging across its entire ecosystem in order to contribute to the fight against climate change.
- **Entrust Danone's people to create new futures:** building on a unique social innovation heritage, give each employee the opportunity to impact the decisions of the company, both locally and globally.
- **Foster inclusive growth** by ensuring equal opportunities within the company, supporting the most vulnerable partners in its ecosystem, and developing everyday products accessible to as many people as possible.

# AN OVERVIEW OF THE MISSION COMMITTEE

## THE ROLE OF THE MISSION COMMITTEE

The Mission Committee is responsible for monitoring the implementation of the social and environmental objectives that Danone adopted as a *Société à Mission* by:

- monitoring the effectiveness of the actions carried out by Danone within the context of the roadmap defined by the company to achieve its social and environmental objectives (the “mission”).
- examining the relevance of the actions and key performance indicators (KPIs) of the roadmap to achieve the mission, in particular with regard to their impact on various stakeholders and changes in the company’s ecosystem.
- presenting an annual report, attached to the management report submitted to the Shareholders’ Meeting called to approve the company’s financial statements, on the monitoring of the company’s execution of social and environmental objectives.



The Mission Committee may also share best practices that could be implemented by Danone, propose additional actions, or provide comments or suggestions on the key performance indicators.

It also monitors the performance of its duties by the independent third party, and hears it at least once a year in order to be informed of the delivery of its duties, the conclusion of its work, its approach to verifying objectives, and any difficulties encountered during the performance of its mission.

# MISSION COMMITTEE

## MEMBERS

The mandates of the members of the Mission Committee were most recently renewed by Danone's Board of Directors on April 25, 2024. The composition of the Committee remains unchanged since April 27, 2023.

The Mission Committee members include, as of the date of this report, independent global experts in sustainable development, governance, the environment, health, and social topics, with diverse backgrounds and experience:



**PASCAL LAMY (Chair)**

Coordinator of the Jacques Delors Institutes (Paris, Berlin, Brussels), former European Commissioner for Trade and former Director-General of the World Trade Organization



**ARANCHA GONZÁLEZ**

Dean of the Paris School of International Affairs at Sciences Po, former Spanish Minister of Foreign Affairs, European Union and Cooperation



**LISE KINGO**

Danone independent board member, chair of Danone's CSR Committee and former CEO of the United Nations Global Compact



**EMNA LAHMER**

Danone employee



**HIROMICHI MIZUNO**

Principles for Responsible Investment (PRI) network board member, advisor to the Japanese government



**DAVID NABARRO**

former advisor to the UN on the 2030 SDGs



**RON OSWALD**

former General Secretary of the International Union of Food Workers



**GABRIELA ILIAN RAMOS**

Assistant Director General, Social and Human Sciences at UNESCO

# THE MISSION COMMITTEE'S MAIN AREAS OF FOCUS IN 2024

In 2024, the Mission Committee reviewed progress to date and future roadmaps, with a strong focus on achieving the company's current *Société à Mission* targets for 2025. The Mission Committee also exchanged with Danone teams, as the company began work to set the next generation of *Société à Mission* targets for 2030.

The Mission Committee welcomed the company's progress on its objectives related to health, the planet, social (employees), and inclusiveness (communities). **All but one of the 2024 milestones have been reached, with the Mission Committee receiving the company's assurance that efforts and focus would be maintained throughout 2025 towards meeting its e-learning target.**

The Mission Committee and Danone took advantage of the two annual Mission Committee meetings, as well as informal workshops in December 2024, to discuss Danone's progress on its KPIs. These open and regular exchanges are all the more important given the constantly changing and complex external landscape in which multinational companies like Danone operate.

Danone updated the Mission Committee in both the March and July meetings on its **progress on transitioning to a circular, low-carbon packaging system, and the challenges it, and many other companies and sectors, are facing** as the regulatory context remains dynamic and unharmonized globally. Danone's team thoroughly reviewed its progress to date and its future plans for cup recyclability with both the Mission Committee and the independent third party, sharing its intention to continue to improve its cups' design for recyclability where formal collection systems exist.

In the December workshops, Danone teams presented an update on its regenerative agriculture approach, which is fundamental to supporting resilient farming systems and healthier ecosystems. Its programs for varied ingredients and geographies reflect a holistic approach, embedding farm efficiency, supply chain resilience, and nature preservation and regeneration.

The Mission Committee was also particularly keen to understand **Danone's decision to gradually withdraw the Nutri-Score nutrition label system from its dairy and plant-based drinkable products** in Europe from September 2024. This was discussed in the December workshops. Danone explained that, notwithstanding its long-standing and pioneering support for the voluntary Nutri-Score label, it has not become the European standard but rather created fragmentation, complexity, and inefficiency for companies and confusion for consumers. In addition, Nutri-Score's new algorithm considers drinkable yogurts as a beverage rather than a yogurt, benchmarking it to water or sodas. In doing so, it overlooks the reality of how, why, and when people consume drinkable yogurts.





Danone highlighted its unwavering support for a mandatory European nutritional labeling system, and reiterated its transparency commitment for more than 95% of the volume sold of dairy, plant-based, and Aquadrinks products to have on-pack or online interpretative nutritional information by 2025. Danone demonstrated progress towards this commitment, notably by using the Health Star Rating (HSR), a science-based interpretative nutritional labeling system which remains the reference of several international organizations when assessing the nutritional quality of FMCG product portfolios, both on-pack and online. **Danone also stressed its continued commitment to product reformulation and sugar reduction**, in line with its objectives, making sugar reduction a variable compensation criterion for management.

The Mission Committee also noted independent, external proof points of Danone's performance and commitment on sustainability. **Danone was recognized by the Access to Nutrition Initiative Global Index**, securing the first position in the ranking in 2024. This showcases Danone's commitment to health and nutrition, and especially sugar reduction and reformulation, as well as the Mission Committee's guidance and support on these fundamental topics.

Looking ahead to 2030, the **Mission Committee exchanged with Danone on the spirit and methodology of the next generation of Société à Mission targets**. Conversations underlined the importance of having a solid methodology behind each target, as well as ensuring alignment and coherence between Société à Mission targets and the Danone Impact Journey, the company's sustainability strategy. Discussions began in March 2024 with a review of sustainability trends, across nature, social, health, regulatory, and geopolitical topics, as well as a discussion of Danone's double-materiality assessment for the EU Corporate Sustainability Reporting Directive (CSRD).

The Mission Committee looks forward to continued exchanges on the next generation of Danone's Société à Mission targets in 2025, notably to ensure Danone selects the most appropriate targets, focusing on key challenges the environment and society are facing. **Danone will publish its 2030 targets in 2026, alongside the assessment of its performance with regard to its 2025 targets.**

Finally, the Mission Committee noted the **on-going positive collaboration with the independent third party**, with whom Danone exchanged on several topics. The Mission Committee welcomes Danone's intention to involve the independent third party in ensuring the KPIs set for its next generation of targets are clear, measurable, and auditable.

As set out by law and agreed between the independent third party, the Mission Committee, and Danone, audits are carried out every two years. **The next audit by the independent third party will therefore be published in 2026, verifying Danone's progress towards its 2025 targets, the final targets of its current trajectory.** The Mission Committee will make itself available for consultation with the independent third party.




# DANONE'S SOCIÉTÉ À MISSION AGENDA

## PROGRESS TOWARDS 2025 TARGETS

### HEALTH

**Statutory objective: Impact people's health locally** with a portfolio of healthier products, with brands encouraging better nutritional choices, and by promoting better dietary habits.

Operational objective	2025 Targets	2024 results (milestones met  )
<b>1 Provide better products for children's health</b>	KPI 1: >95% of volume sold of dairy and plant-based kids portfolio will have ≤ 10 g total sugars/100 g KPI 2: >95% % of volume sold of formula milks with added sugar: ≤ 1.25 g/100 kcal for toddler milks intended for 1-3-year-olds ≤ 2.0 g/100 kcal for milks intended for 4-5-year-olds	78.5% of volume sold of dairy and plant-based kids portfolio with ≤ 10 g total sugars/100 g 99% of volume sold of toddler milks for 1-3-year-olds with added sugars ≤ 1.25 g/100 kcal 94.9% of volume sold of milks for 4-5-year-olds with added sugars ≤ 2.0 g/100 kcal
<b>2 Positively impact children's health</b>	KPI 1: 5 projects to address iron deficiency KPI 2: 3 projects to support women's choice to breastfeed	4 projects to address iron deficiency/anemia First quantification of people reached by the impact projects 3 projects to support women's choice to breastfeed First quantification of people reached by the impact projects
<b>3 Enable people to make informed nutritional choices</b>	>95% of volume sold of dairy, plant-based, and Aquadrinks products with on-pack/online interpretative nutritional information	71.5% of volumes sold of dairy, plant-based and Aquadrinks products with on-pack/online interpretative nutritional information

**1** To continue building a healthy product portfolio, Danone made significant progress in 2024 on sugar reduction: 78.5% of the volume sold of dairy and plant-based products directed at children between three to 12 years old contained a maximum of 10g of total sugars per 100g, surpassing its milestone of 75%, thanks to different projects, including the successful renovation of Danonino brand in Europe.

This objective is part of the performance conditions applicable for its senior leadership, including the Chief Executive Officer, as part of long-term incentives (Group Performance Shares).

Additionally, Danone again met its milestone for toddler milks, assuring through continuous effort that 99% of the volume sold of toddler milks for 1-3-year-olds contained a maximum of 1.25 g/100 kcal added sugars. For milks aimed at 4-5-year-olds, 94.9% of the volume sold contained no more than 2.0g of added sugars per 100 kcal, outperforming the 80% milestone set for 2024.

# HEALTH



**2** For its second operational objective – to positively impact children’s health – Danone continued to implement impact-oriented projects in 2024. These projects aim to address the root causes of the issue, involve a coalition of relevant partners, and aim to develop both a sustainable model for lasting impact and indicators to track positive health outcomes at national scale.

These included **new projects to address iron deficiency anemia (IDA) in Gabon and in Thailand**, building on successes and lessons learned from projects in Malaysia and Indonesia. Both projects focus on increasing IDA awareness and access to screening for children, supporting education and training for healthcare professionals, and providing nutritional solutions to help prevent and address IDA. They also advocate for IDA screening to become a routine check for young children, to ensure a lasting impact. All four projects initiated in the last two years included data collection to track their impact, and Danone has designed a methodology to quantify the projects’ reach.

Danone also initiated a **project to support women’s choice to breastfeed in Algeria**. The project aims to increase the exclusive breastfeeding rate during the first six months of newborns’ lives. It trains midwives on breastfeeding support, provides breastfeeding assistance to mothers in health centers, and runs public awareness campaigns on the benefit of exclusive breastfeeding.

Danone also **delivered an impact project related to breastfeeding support in partnership with UNITAR**. The Global Breastfeeding Initiative aims to help increase breastfeeding initiation and duration rates by supporting healthcare professionals, and helping parents and caretakers feel more empowered and confident.

With the “Best Chance at Breast” project launched in Spain in 2023, Danone now has a total of three projects to support women’s choice to breastfeed.

**3** 2024 also saw the **formal deployment of the Health Star Rating (HSR) online, on Danone websites, and on-pack**, in support of the operational objective to **enable people to make informed nutritional choices**. HSR was deployed in several locations, with notable progress in Morocco, Indonesia, Australia, and the United Kingdom, which all reached 100% coverage of their portfolio. In places where it has not been possible (or allowed by local authorities) to deploy HSR, like the United States, **other tailored approaches to provide interpretative information have been proposed**. This has **helped Danone to surpass its 2024 milestone and to reach 71.5% of volumes sold** of dairy, plant-based, and Aquadrinks products with on-pack or online interpretative nutritional information.

# DANONE'S SOCIÉTÉ À MISSION AGENDA

## PROGRESS TOWARDS 2025 TARGETS

### PLANET

**Statutory objective: Preserve and renew the planet's resources** by supporting regenerative agriculture, protecting the water cycle, and strengthening the circular economy of packaging across its entire ecosystem, in order to contribute to the fight against climate change.

Operational objective	2025 Targets	2024 results (milestones met ✓)
<p><b>1 Drive climate action across our value chain</b></p>	<p>Danone's greenhouse gas reduction will exceed 8% (like for like) for our scope 1,2, and 3 emissions (excluding use of sold products) versus 2022 emissions</p>	<p>3.4% greenhouse gas reduction (like for like, 2024 versus 2023) for scope 1, 2, and 3 emissions (excluding use of sold products)</p> <p>Support to transition of key ingredients, directly sourced, toward regenerative agriculture</p> <p>Drive for more recycled content in pack</p> <p>Engagement with suppliers toward environmental data disclosure and GHG emissions reduction pathway</p>
<p><b>2 Make agriculture a solution</b></p>	<p>30% of key ingredients we source directly will come from farms that have begun to transition to regenerative agriculture</p>	<p>39% of key ingredients sourced directly came from farms that have begun to transition to regenerative agriculture</p>
<p><b>3 Foster a circular economy of packaging</b></p>	<p>100% of cups designed for recyclability where formal collection systems exist</p>	<p>Updated worldwide cups roadmap</p>

**1** Danone's operational objective to **drive climate action across its value chain** continued to be at the forefront of its sustainability journey throughout 2024, as **the company made progress across the eight strategic programs outlined in its Climate Transition Plan** (published in December 2023 and presented to Mission Committee in March 2024).

The Climate Transition Plan's eight strategic programs include regenerative agriculture, packaging transformation, and engagement with suppliers, three topics which all correspond to milestones identified for 2024 for Danone's *Société à Mission* trajectory.

# PLANET

**Work with both farmers and suppliers is critical to the company's greenhouse gas reduction strategy.**

Danone continues to provide ongoing support and training to help farmers adopt regenerative agriculture practices and roll out agricultural projects (see regenerative agriculture section below). This includes notable progress in assisting farmers with the reduction of methane emissions, in line with Danone's target of a 30% reduction in methane emissions from fresh milk by 2030. In 2024, the company launched a program to build common, long-term projects with suppliers of key ingredients to reduce emissions. It also continued to strengthen collaboration with suppliers through its global partnerships "Partner for Growth" program, including with initiatives to accelerate innovation for carbon reduction across its value chain.

In 2024 Danone also increased its use of recycled materials, a key lever for reducing the carbon footprint of packaging. Progress was made in its Waters portfolio where it pursued its aim of having a format with a 100% recycled material bottle in each of the main Danone Waters brands, as well in its yogurt and plant-based cups where it incorporated more recycled PET.

**This steady progress helped Danone achieve an average year-on-year greenhouse gas reduction of 3.4%** (like for like, 2024 versus 2023) for scope 1, 2, and 3 emissions (excluding the use of sold products). Reductions of GHG emissions from milk, notably across AMEA (Asia, Middle East, and Africa), were a significant driver of this progress in 2024. Additionally, supplier engagement led to reduced emissions from dairy ingredients and packaging. Danone also significantly increased its use of renewable electricity in factories and distribution centers. This puts the **company on track to meet its 2025 Société à Mission target for Danone's greenhouse gas reduction** to exceed 8% (like for like) for scope 1, 2 and 3 emissions (excluding the use of sold products) versus 2022 emissions.



# PLANET

2 Danone continued to make **progress on regenerative agriculture** – both within its own supply chains with farmers and with external partners – **as part of its operational objective to make agriculture a solution**. This was the focus of a presentation given to the Mission Committee during a workshop with Danone’s teams in December 2024.

The company continued to implement and support 15 flagship regenerative agriculture projects, across varied ingredients and geographies, including in North America, Latin America, Europe and Africa. This included training, notably upskilling for local milk teams, on agricultural best practices (herd management, animal health and welfare, feed and crop resilience including through soil health and biodiversity etc.) to support resilient farm systems and healthy ecosystems.

In the context of increasing stress on agriculture and supply chain resilience caused by water scarcity, Danone has also embedded water initiatives at the heart of its regenerative agriculture programs.

Following the mapping of its ingredient sourcing in water-stressed areas, the company is working with farmers in geographies such as North Africa and Mexico to reduce the water footprint of animal feed, promote best practices around irrigation and soil health, and improve training and monitoring.

As a result of these efforts, **Danone was able to surpass its 2024 milestone, with 39% of key ingredients sourced directly from farms that have begun to transition to regenerative agriculture.**

Danone also continued to work with others to advance regenerative agriculture at the sector level, supporting greater convergence through SAI (Sustainable Agriculture Initiative) Platform's Regenerating Together Program, OP2B (One Planet Business for Biodiversity), and WBCSD (World Business Council for Sustainable Development).

3 In support of its operational objective to **foster a circular economy of packaging**, Danone developed an updated worldwide cups roadmap in 2024. This is fundamental to ensure that the transformation of its cups is embedded into its business strategy.

The **company’s packaging roadmap was updated** to review materials and innovation solutions available in market, **in line with brand renovations and launches, as well as regulatory developments**. A specific roadmap for cups in North America was developed and launched. For Europe, a cups roadmap was already being implemented and was reviewed in 2024 to ensure compliance with the upcoming EU Packaging and Packaging Waste Regulation (PPWR). In other regions, Danone continued to monitor the regulatory context, design guidelines, and provide support to local teams to ensure they have the right strategies and capabilities to progress.



# DANONE'S SOCIÉTÉ À MISSION AGENDA

## PROGRESS TOWARDS 2025 TARGETS

### SOCIAL

**Statutory objective:** **Entrust Danone's people to create new futures:** building on a unique social innovation heritage, give each employee the opportunity to impact the decisions of the company, both locally and globally.

#### Operational objective

#### 2025 Targets

#### 2024 results (milestones met ✓)

**1 Enable inclusive and engaged workforce to support Danone's mission and growth**

Danoners will feel more empowered and engaged than their peers in similar companies, as measured by Danone People Survey (sustainable engagement above peers)

Continued deployment of renewed culture, with HR processes with behaviors embedded, culture e-learning for all connected Danoners and solution for non-connected Danoners  
DPS (Danone People Survey) launch with a participation of 94% and positive improvement in at least 3 of the topics

**2 Drive gender equity for Danoners and inspire greater gender balance in our industry**

KPI 1: We will ensure that above 40% of our senior leaders globally identify themselves as women  
KPI 2: Close the gender pay gap for all Danone employees in the range of 3 points

Improvement of gender balance in first line Danoner populations globally with best practices identified in key countries  
43.6% of senior leadership globally identify as women  
Closed gender pay gap (managers and above) to 1.1 points  
Designed & started implementing action plan to bridge pay gap in the range of 3 points both for non-manager and manager populations  
Leveraged our membership with EPIC (Equal Pay International Coalition) to share and learn best practices

**3 Support Danoners life-long employability, especially those most at risk**

KPI 1: 100% of CBUs with eligible people have proposed Future Skills to employees and/or their representatives and 75% of beneficiaries will have secured their transition to a job of the future, internally or externally  
KPI 2: 80% of manufacturing Danoners have completed at least one digital e-learning

#### 2023 results (milestones partially met)

Over 75% of beneficiaries of FutureSkills secured transition to a job of the future, internally or externally  
100% of our CBUs with eligible people proposed FutureSkills to employees and/or their representatives  
47% (target 60%) of manufacturing Danoners have followed at least one digital e-learning

# SOCIAL

**1** As part of its first social operational objective, Danone **continued to deploy its updated culture elements in support of the company's 'Renew' strategy**. This focused on explaining and promoting five key behaviors: (1) put Danone first, (2) lead with people, (3) keep it simple, (4) be accountable, and (5) walk the talk.

**Training on the five behaviors was completed by 90% of managers and above, as well as over 75% of first line employees** (many of which are in manufacturing or sales roles). Specific solutions were put in place to fit employee needs, including short learning sessions for employees working in operations, workshops, and 1.5-day training sessions for managers, as well as local events and on-site communications.

In 2024, Danone **conducted an extensive employee listening exercise: the Danone People Survey (DPS)**. Participation reached **94%**, surpassing the 2024 *Société à Mission* milestone of 80%. There was **progress on several measures** compared to previous full or light DPS surveys, including on well-being, survey follow-up (employees have seen concrete measures taken as a result of previous feedback), and the evaluation by employees of the Danone behaviors displayed by Danone leaders. The vast majority of individual categories assessed show scores higher than those of other peer companies.

**2** Danone continued to make **further progress on driving gender equity for Danoners and inspiring greater gender balance across its industry**.

Danone initiated **four pilots with the IUF (International Union of Food, Agricultural, Hotel, Restaurant, Catering, Tobacco and Allied Workers' Associations)**, in Germany, Turkey, Ghana, and the United States, with the aim of **identifying best practices to improve gender balance among first line employees**. In 2024, **25.8% of employees in first line positions were women**, an improvement of 0.4% from 2023, **which Danone aims to accelerate in coming years**. It also permitted teams to identify best practices tailored to the local environment.

Additionally, Danone **maintained its gender balance in senior leadership globally with 43.6% of senior leadership who identify themselves as women**. Targeted actions were rolled out at Executive, Board, and Country Manager/General Manager level, and across the Operations, IT & Data, and Sales functions. This included mentoring programs, a review of succession planning, and initiatives to equip teams to identify and address unconscious bias. Lastly, a women's leadership program was piloted in Europe, with the intention to scale it up globally over the coming years.



# SOCIAL



Danone also continued to **progress on closing the gender pay gap, successfully reducing the gender pay gap for managers and above to 1.1%**. This was thanks to continued vigilance in every step of the employee lifecycle, from hiring to annual salary reviews to promotions. In preparation for its 2025 target for all Danone employees, the company enhanced the **methodology to ensure equal pay by gender for first line Danoners (almost 70,000 employees)** across global, regional, and local business units. It also **continued to leverage its membership with EPIC (Equal Pay International Coalition)** to share and learn best practices. This included participating in a technical meeting with EPIC and the OECD (Organization for Economic Co-operation and Development) on equal pay policies, sharing best practice with peers and experts, and enriching its own policies and roadmaps with others' experiences. This puts Danone on track to reach its 2025 target of closing the gender pay gap for all Danone employees in the range of three points.

**3** To support the lifelong employability of Danoners, particularly those most at risk, Danone has continued to develop its FutureSkills program, designed to **equip employees with the skills and capabilities needed for the jobs of the future**. In March 2024 Danone **launched the DanSkills program**, piloted in Europe, with a focus on boosting internal mobility (INplacement) through the implementation of strategic workforce planning methodology. In Indonesia, strong plans to activate reskilling and upskilling solutions were also implemented. As a consequence, in 2024, **100% of local business units in Europe and Indonesia with eligible employees provided access to career coaching and training through the FutureSkills program**. As a result, **over 75% of the eligible employees** in Belgium, Germany, France, Netherlands, Spain, Italy, Poland, Romania, Hungary, Czech Republic, and the United Kingdom **who participated in FutureSkills in 2024 have secured their transition to a job of the future**, either internally or externally.

Danone has **made progress (albeit slower than expected to date) in facilitating e-learning and developing digital capabilities among its manufacturing employees**. In 2024, **47% of these employees participated in at least one e-learning course, compared to 18% in 2023. This did not reach the milestone of 60% set for 2024**. The priority for 2025 is to have improved learning infrastructure and a more sophisticated reporting system to secure the target of having 80% of manufacturing Danoners follow at least one e-learning course.

In line with its *Société à Mission* objective of supporting Danoners' lifelong employability, Danone established the Danone Microsoft AI (Artificial Intelligence) Academy in 2024. This global activation, with an aim of long-term AI acculturation, has reached 34 countries and 60 sites, supported by Microsoft experts in six countries and the engagement of 250 AI Champions. In 2024, Danone launched five AI e-learning modules and three AI podcast episodes translated into 15 languages.

Additionally in 2024 Danone began to roll-out DAN-IWS, a continuous improvement methodology that aims to drive excellence in operations, execution, and common standards in all facilities. The IWS learning method emphasizes face-to-face, on-the-line coaching, ensuring that workers receive hands-on, practical training directly in their work environment.



# DANONE'S SOCIÉTÉ À MISSION AGENDA

## PROGRESS TOWARDS 2025 TARGETS

### INCLUSIVENESS

**Statutory objective:** **Foster inclusive growth** by ensuring equal opportunities within the company, supporting the most vulnerable partners in its ecosystem, and developing everyday products accessible to as many people as possible.

Operational objective	2025 Targets	2024 results (milestones met ✓)
<p><b>1 Protect the most vulnerable members of our value chain</b></p>	<p>80% of procurement spending coverage by responsible sourcing due diligence program (excluding raw milk as this is covered by regenerative agriculture)</p>	<p>70.8% of procurement spending coverage by responsible sourcing due diligence program (excluding raw milk as this is covered by regenerative agriculture)</p>
<p><b>2 Provide safe drinking water to those in need</b></p>	<p>20 M people on average were reached daily with safe drinking water by our dedicated Danone Communities fund, Water Access Acceleration Fund, and brands partnerships</p>	<p>20.8M people on average were reached daily with safe drinking water by our dedicated Danone Communities fund, Water Access Acceleration Fund and brands partnerships</p>
<p><b>3 Be globally certified as a B Corp company</b></p>	<p>Global certification: 95% of employees covered by certification</p> <p>Weighted average score of 80+ points</p> <p>Waters eligibility</p> <p>Danone SA certification</p>	<p>92.8% of net sales covered by B Corp certification</p> <p>Head Offices certified</p> <p>Baseline requirements for Multinational Corporations (MNCs)</p>

**1** Danone strengthened its supply chain due diligence approach in 2024, with the notable release of its **Sustainable Sourcing Policy** in June, which outlines the company's commitments to establish fair, sustainable, and ethical relationships with its suppliers. Applicable to non-farmer tier one suppliers of goods or services, the policy sets standards for its suppliers to meet in their own operations, and to cascade down their supply chain around three sets of fundamental principles across social, environmental, and ethical principles. The policy **reinforces Danone's RESPECT program and is designed to enable enhanced due diligence to protect the most vulnerable members of the company's value chain.**

Danone also reviewed and strengthened its RESPECT program in 2024, as noted in the 2023 Danone Mission Committee Report. Specifically, the company introduced a **new risk mapping tool, allowing for a more granular level of mapping of inherent and explicit risks in the supply chain, including by geography and site-level risk.** This has been embedded into existing platforms to allow for better monitoring of spending and more efficient onboarding of new suppliers.

# INCLUSIVENESS

Thanks to the launch and roll-out of these new tools, **Danone covered 70.8% of procurement spending through its responsible sourcing due diligence program** (excluding raw milk). It is confident that the new governance and processes **will allow for greater oversight and scrutiny of its supply chain**, supporting its progress towards achieving its *Société à Mission* target of 80% of procurement spending being covered by its responsible sourcing due diligence program in 2025.



**2** To provide safe drinking water to those in need, Danone maintained the momentum following the successful launch of the Water Access Acceleration Fund (the W2AF) in 2023, with new investments and ongoing support to existing projects in 2024. Overall, the social businesses that Danone Communities and the W2AF are supporting or have supported in their early stages **provided daily access to safe drinking water to 20.8 million people around the world in 2024, surpassing the milestone of 13 million.**

Launched by Danone and international impact investment manager Incofin, the W2AF is the first impact fund dedicated to investing in businesses providing safe drinking water and targeting people living on less than \$8 purchasing power parity daily in Asia and Africa.

The W2AF saw its fourth closing in November 2024, reaching €57.9 million in total commitments. It also made its second investment of €3.3 million in Spouts International, a company producing and selling **affordable domestic water filters in Uganda and Rwanda**. Supported by the W2AF, Rite Water Solutions (India) Pvt. Ltd. installed new **water purification systems in more than 2,000 villages in rural India in 2024**, giving access to affordable safe drinking water to more than three million additional people.

Danone Communities businesses showing a strong growth potential were provided with technical assistance (sales, marketing, human resources). In 2024, Impact Water installed new water purification systems in more than 18,000 schools in Nigeria, giving access to affordable safe drinking water to more than four million additional pupils. Other promising businesses facilitating water access in underserved communities were also identified and engaged, to ensure further acceleration in upcoming years.

# INCLUSIVENESS

3 In order to reach its **objective to be globally certified as a B Corp company in 2025**, Danone maintained its efforts throughout 2024. This included securing new certifications across its operations in the African continent, including in Morocco, South Africa, and Algeria, **as well as recertifications** in some of the company's most significant country markets including the United States, Indonesia, and the UK and Ireland. Most of Danone's recertifications included those that had already undergone two to three verification cycles, such as Canada and Alpro. 100% of the group's manufacturing and plant activities<sup>1</sup> in Europe are now covered by B Corp certification. Thanks to these efforts, **92.8% of Danone group's net sales were covered by B Corp certification in 2024. This represents 83% of Danone employees.**

Additionally, as a necessary step to achieve full certification, **Danone has secured B Corp baseline requirements for multinational companies.**

B Lab's independent Multinational Standards Advisory Council determined in October that Danone S.A.'s actions meet the five Baseline Requirements (Reporting, Materiality Assessment, Materiality Issue Management through Aspirational Goals setting, Tax & Government Affairs Disclosure, and Human Rights Policy). As part of this process, **Danone has also initiated the certifications of its head offices in Paris, Amsterdam, and Singapore**, subject to validation following an audit process starting in the first quarter of 2025.

Danone **remains focused and on track to achieve full B Corp certification by the end of 2025**, working in parallel to demonstrate the value of this certification to its customers, consumers, and other stakeholders.



<sup>1</sup>This result covers Danone full scope of manufacturing and plant activities eligible for certification, in accordance with B Lab scoping rules.

# SUMMARY TABLE

## 2024 TARGETS AND RESULTS

### HEALTH

**Statutory objective: Impact people's health locally** with a portfolio of healthier products, with brands encouraging better nutritional choices, and by promoting better dietary habits.

Operational objective	KPI	2024 milestone	2024 result	2025 target
<b>1 Provide better products for children's health</b>	KPI 1: % of volume sold of dairy and plant-based kids portfolio will have ≤ 10 g total sugars/100 g	~75%	78.5%	95%
	KPI 2: % of volume sold of formula milks with added sugar: ≤ 1.25 g/100 kcal for toddler milks intended for 1-3-year-olds ≤ 2.0 g/100 kcal for milks intended for 4-5-year-olds	Maintain > 95% of vol. sold of toddler milks for 1-3-year-olds with added sugars ≤ 1.25 g/100 kcal ~80% of vol. sold of milks for 4-5-year-olds with added sugars ≤ 2.0 g/100 kcal	99% of vol. sold of toddler milks for 1-3-year-olds with added sugars ≤ 1.25 g/100 kcal 94.9% of vol. sold of milks for 4-5-year-olds with added sugars ≤ 2.0 g/100 kcal	95% of volume sold of formula milks with added sugar: ≤ 1.25 g/100 kcal for toddler milks intended for 1-3-year-olds ≤ 2.0 g/100 kcal for milks intended for 4-5-year-olds
<b>2 Positively impact children's health</b>	KPI 1: number of projects to address iron deficiency	At least 3	4 projects	5 projects to address iron deficiency
	KPI 2: number of projects to support women's choice to breastfeed	At least 2	3 projects	3 projects to support women's choice to breastfeed
<b>3 Enable people to make informed nutritional choices</b>	KPI: % of volumes sold of dairy, plant-based, and Aquadrinks products with on-pack/online interpretative nutritional information	~ 65%	71.5%	>95%

# SUMMARY TABLE

## 2024 TARGETS AND RESULTS

### PLANET

**Statutory objective: Preserve and renew the planet's resources** by supporting regenerative agriculture, protecting the water cycle, and strengthening the circular economy of packaging across its entire ecosystem, in order to contribute to the fight against climate change.

Operational objective	KPI	2024 milestone	2024 result	2025 target
<b>1 Drive climate action across our value chain</b>	Danone's greenhouse gas reduction will exceed 8% (lfl) for our scope 1,2, and 3 emissions (excluding use of sold products) versus 2022 emissions	Danone's average year-on-year greenhouse gas reduction will exceed 3% (lfl) for our scope 1, 2, and 3 emissions (excluding use of sold products) Support to transition of key ingredients, directly sourced, toward regenerative agriculture. Drive for more recycled content in pack. Engagement with suppliers toward environmental data disclosure and GHG emissions reduction pathway.	3.4% greenhouse gas reduction (lfl, 2024 versus 2023) for scope 1, 2, and 3 emissions (excluding use of sold products) Support to transition of key ingredients, directly sourced, toward regenerative agriculture. Drive for more recycled content in pack. Engagement with suppliers toward environmental data disclosure and GHG emissions reduction pathway.	Danone's greenhouse gas reduction will exceed 8% (lfl) for our scope 1,2, and 3 emissions (excluding use of sold products) versus 2022 emissions
<b>2 Make agriculture a solution</b>	% key ingredients we source directly will come from farms that have begun to transition to regenerative agriculture (RA)	26%	39%	30%
<b>3 Foster a circular economy of packaging</b>	100% of cups designed for recyclability where formal collection systems exist	Updated worldwide cups roadmap	Updated worldwide cups roadmap	100%

# SUMMARY TABLE

## 2024 TARGETS AND RESULTS

### SOCIAL

**Statutory objective:** **Entrust Danone's people to create new futures:** building on a unique social innovation heritage, give each employee the opportunity to impact the decisions of the company, both locally and globally.

Operational objective	KPI	2024 milestone	2024 result	2025 target
<p><b>1 Enable inclusive and engaged workforce to support Danone's mission and growth</b></p>	<p>Danoners will feel more empowered and engaged than their peers in similar companies, as measured by Danone People Survey (sustainable engagement above peers)</p>	<p>Continue deploying the renewed culture as part of everything that we do, by launching HR processes with behaviors embedded, deploying the culture e-learning for all connected Danoners and providing a solution for non-connected Danoners</p> <p>DPS Launch to monitor progress and to gain insights from Danoners with a minimum participation of 80% and positive improvement in at least 3 of the topics</p>	<p>Continued deployment of renewed culture, with HR processes with behaviors embedded, culture e-learning for all connected Danoners and solution for non-connected Danoners</p> <p>DPS launch with a participation of 94% and positive improvement in at least 3 of the topics</p>	<p>Danoners will feel empowered and engaged, driving performance culture, as measured by Danone People Survey (sustainable engagement score is above peers)</p>
<p><b>2 Drive gender equity for Danoners and inspire greater gender balance in our industry</b></p>	<p>KPI 1: We will ensure that above 40% of our senior leaders globally identify themselves as women</p>	<p>Improvement of gender balance in first line Danoners populations globally with best practices identified in key countries</p> <p>Maintain that around 40% of our senior leadership globally identify as women</p>	<p>Improvement of gender balance in first line Danoners populations globally with best practices identified in key countries</p> <p>43.6% of our senior leadership globally identify as women</p>	<p>Above 40% of senior leaders globally who identify themselves as women</p>

# SUMMARY TABLE

## 2024 TARGETS AND RESULTS

### SOCIAL

Operational objective	KPI	2024 milestone	2024 result	2025 target
<b>2 Drive gender equity for Danoners and inspire greater gender balance in our industry</b>	KPI 2: Close the gender pay gap for all Danone employees in the range of 3 points	<p>Close gender pay gap (managers and above) in the range of 3 points</p> <p>Design &amp; start implementing action plan to bridge pay gap in the range of 3 points both for non-manager and manager populations</p> <p>Leverage our membership with EPIC (Equal Pay International Coalition) to share and learn best practices</p>	<p>Closed gender pay gap (managers and above) to 1.1 points</p> <p>Designed &amp; started implementing action plan to bridge pay gap in the range of 3 points both for non-manager and manager populations</p>	Close the gender pay gap for all Danone employees in the range of 3 points
<b>3 Support Danoners life-long employability, especially those most at risk</b>	KPI 1: 100% of CBUs with eligible people have proposed Future Skills to employees and/or their representatives and 75% of beneficiaries will have secured their transition to a job of the future, internally or externally	<p>60% of beneficiaries of FutureSkills in 2024 have secured their transition to a job of the future, internally or externally</p> <p>100% of our CBUs with eligible people have proposed FutureSkills to employees and/or their representatives</p>	<p>Over 75% of beneficiaries of FutureSkills secured transition to a job of the future, internally or externally</p> <p>100% of our CBUs with eligible people proposed FutureSkills to employees and/or their representatives</p>	<p>75% of beneficiaries will have secured their transition to a job of the future, internally or externally</p> <p>100% of our CBUs with eligible people have proposed Future Skills to employees and/or their representatives</p>
	KPI 2: 80% of Manufacturing Danoners have completed at least one digital e-learning	60%	47%	80%

# SUMMARY TABLE 2024 TARGETS AND RESULTS INCLUSIVENESS

**Statutory objective:** Foster inclusive growth by ensuring equal opportunities within the company, supporting the most vulnerable partners in its ecosystem, and developing everyday products accessible to as many people as possible.

Operational objective	KPI	2024 milestone	2024 result	2025 target
<b>1 Protect the most vulnerable members of our value chain</b>	% of procurement spending coverage by Responsible Sourcing due diligence program (excluding raw milk as this is covered by regenerative agriculture)	70%	70.8%	80%
<b>2 Provide safe drinking water to those in need</b>	Number of people on average reached daily with safe drinking water by our dedicated Danone Communities fund, Water Access Acceleration Fund, and brands partnerships	13M	20.8M	20M
<b>3 Be globally certified as a B Corp company</b>	Global certification: 95% of employees covered by certification Weighted average score of 80+ points Waters eligibility Danone SA certification	~92% of net sales certified Head Offices certified Baseline requirements for Multinational corporations	92.8% of net sales covered by B Corp certification Head Offices certified Baseline requirements for Multinational Corporations (MNCs)	Global certification: 95% of employees covered by certification Weighted average score of 80+ points Waters eligibility Danone SA certification



In accordance with article R.210-21 of the French “Code de Commerce”, please find below the last available report of the independent third party, which covers 2023.

## REPORT OF THE INDEPENDENT THIRD-PARTY ORGANIZATION ON THE VERIFICATION OF THE FULFILMENT OF SOCIAL AND ENVIRONMENTAL OBJECTIVES

Period from January 1st, 2022 to December 31st, 2023

### To the Shareholders’s Meeting of Danone,

In our capacity as independent third-party organization, member of Mazars Group, Statutory Auditor of Danone (hereinafter the “Entity”), accredited by COFRAC Inspection under number 3-1095 (list of accredited sites and their scope of accreditation available on [www.cofrac.fr](http://www.cofrac.fr)), we have performed work to provide a report relating to the fulfillment of the social and environmental objectives in the scope of its status as a mission-led company (*société à mission*), as presented in the two reports of the Mission Committee<sup>1</sup> and relating to the period from January 1st, 2022 to December 31st, 2023, published on the website in application of the provisions of Article L. 210-10 of the French Commercial Code (Code de commerce).

### CONCLUSION

Based on the procedures we performed, as described in the “Nature and scope of our work” and the evidence we collected, nothing has come to our attention that causes us to doubt that, in the scope of its status as a mission-led company and at the end of the period covered by our verification:

- the Entity has achieved the operational objectives that it has defined, for each social or environmental objective retained in application of 2° of article L. 210-10 and included in its statutes, and that
- consequently, the Entity respects each of the social and environmental objectives that it has set itself, in line with its corporate purpose and its business with regard to its social and environmental challenges.

### PREPARATION OF THE INFORMATION RELATIVE TO THE FULFILMENT OF SOCIAL AND ENVIRONMENTAL OBJECTIVES

The absence of a generally accepted and commonly used framework or established practices on which to evaluate and measure the information relative to the fulfillment of social and environment objectives permits the use of different, but acceptable, measurement techniques that may affect comparability between entities and through time.

Consequently, the information relative to the fulfillment of social and environmental objectives should be read and understood with reference to the procedures of the Entity (hereafter the “Guidelines”), significant elements of which are presented in the Mission Committee’s report.

### INHERENT LIMITATIONS IN PREPARING THE INFORMATION RELATIVE TO THE FULFILMENT OF SOCIAL AND ENVIRONMENTAL OBJECTIVES

Our independence is defined by the provisions of article L. 822-11-3 of the French Commercial Code and the profession’s code of ethics. In addition, we have implemented a quality control system that includes documented policies and procedures designed to ensure compliance with the applicable legal and regulatory texts, ethical rules and professional doctrine.

The information may be subject to inherent uncertainty because of incomplete scientific and economic knowledge and due to the quality of the external data used. Certain information is sensitive to the methodological choices, assumptions and/or estimates used to prepare the information.

<sup>1</sup> Report of the 2022 Mission Committee published on April 5th, 2023 and report of the 2023 Mission Committee

## THE ENTITY'S RESPONSIBILITY

The Entity is responsible for:

- setting up a Mission Committee responsible for drawing up an annual report in accordance with the provisions of Article L. 210-10 of the French Commercial Code;
- selecting or establishing suitable criteria and procedures for preparing the Entity's Guidelines;
- designing, implementing and maintaining internal control over information relevant to the preparation of the Mission Committee's report, and implementing as much internal control as it deems necessary to ensure that the information relative to the fulfillment of social and environmental objectives is free from material misstatement, whether due to fraud or error;
- preparing information related to the fulfillment of social and environmental objectives in accordance with the Guidelines and making it available to the Mission Committee.

It is the responsibility of the Mission Committee to prepare its report based on the information provided by the Entity regarding the fulfillment of its social and environmental objectives and to conduct any verification it deems appropriate.

These reports are attached to the management report of the Board of Directors.

## RESPONSIBILITY OF THE STATUTORY AUDITOR, APPOINTED AS AN INDEPENDENT THIRD PARTY

Pursuant to Article R. 210-21 of the French Commercial Code, it is our responsibility, on the basis of our work, to provide a report expressing a limited assurance conclusion on the Entity's compliance with the social and environmental objectives that it has set for itself in the scope of its status as a mission-led company. We conducted our work in order to provide a reasoned opinion expressing a limited level of assurance on the historical, observed and extrapolated information.

As we have been engaged to form an independent conclusion on the information relative to the fulfillment of social and environmental objectives, we are not permitted to be involved in the preparation of the information as doing so may compromise our independence.

## REGULATORY PROVISIONS AND PROFESSIONAL STANDARDS APPLICABLE

The work described below was performed in accordance with the provisions of Article R. 210-21 of the French Commercial Code and with the standards applicable to our profession in France relating to this engagement, as well as with the revised international standard ISAE 3000 (revised)<sup>2</sup>.

## INDEPENDENCE AND QUALITY CONTROL

Our independence is defined by the provisions of Article L. 822-11-3 of the French Commercial Code and the French Code of Ethics (Code de déontologie) of Statutory Auditors. In addition, we have implemented a system of quality control including documented policies and procedures to ensure compliance with the ethical requirements, French professional guidance and applicable legal and regulatory requirements.

## MEANS AND RESOURCES

Our work was carried out by a team of 5 people between October 2023 and March 2024 and took a total of 25 weeks.

We conducted approximately ten interviews with people responsible for preparing historical information related to the fulfillment of social and environmental objectives, including in particular representatives from management and the members of the Mission Committee.

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<sup>2</sup> ISAE 3000 (revised) - Assurance engagements other than audits or reviews of historical financial information

## NATURE AND SCOPE OF OUR WORK

We planned and performed our work taking into account the risk of material misstatement of the information relative to the fulfillment of the social and environmental objectives that the Entity has set for itself as a mission-led company.

We consider that the procedures we performed based on our professional judgment allowed us to provide a limited assurance conclusion.

We obtained an understanding of the activities of the Entity within the scope of its status as a mission-led company, the formulation of its corporate purpose, and its social and environmental challenges.

Our work focused on:

- the consistency of the social and environmental objectives adopted pursuant to the second paragraph of Article L.210-10 of the French Commercial Code and stated in its bylaws, the corporate purpose of the Entity as specified in its by-laws (hereinafter the „Purpose”) and its business with regard to its social and environmental challenges; and
- the fulfillment of these objectives.

Regarding the consistency of the Entity’s objectives, Purpose and activity with respect to its social and environmental issues:

- We conducted interviews to assess the engagement of management and members of the Board of Directors with regard to the expectations of the main internal and external stakeholders concerned by the Entity’s activities.
- We assessed the processes put in place to structure and formalize this approach, based on:
  - information available within the Entity (e.g., minutes of Mission Committee meetings, exchanges with the Social and Economic Committee minutes of or material used in meetings with internal or external stakeholders, risk analysis);
  - the mission roadmap and the most recent Mission Committee report since the last audit;
  - where applicable, its publications (e.g., sales brochure, management report, integrated report, non-financial performance statement, website).
- In so doing, we assessed, taking into account the Entity’s business with regard to its social and environmental challenges, the consistency between:
  - the information collected;
  - the Purpose; and
  - the social and environmental objectives set out in the by-laws.

Regarding the fulfillment of social and environmental objectives, we asked whether operational objectives and key indicators for monitoring and measuring their fulfillment by the Entity at the end of the period covered by the audit for each social and environmental objective were in place, and whether the operational objectives had been achieved in line with the trajectories defined by the Entity.

To this end, we performed the following procedures:

- we read the documents prepared by the Entity to report on the performance of its mission, in particular the provisions specifying the operational objectives and the associated monitoring procedures, as well as the report of the Mission Committee;
- we asked the Mission Committee for its assessment of the fulfillment of social and environmental objectives and corroborated the information collected with the stakeholders’ perception of the Entity’s effects and impacts. In addition, we reviewed the analysis presented in the Mission Committee report of the results achieved by the end of the operational objectives in line with their defined trajectories, to enable us to assess compliance with the social and environmental objectives;

- we asked the Entity's Management about the financial and non-financial resources used to meet social and environmental objectives;
- we verified the presence in the Mission Committee's report of indicators consistent with the operational objectives and capable of demonstrating the positioning of the operational objectives in line with their defined trajectories;
- we assessed the adequacy of the resources used to meet the operational objectives in relation to their trajectories, with regard to the evolution of the business over the period;
- we verified the fairness of all these indicators and, in particular, we:
  - assessed the appropriateness of the Guidelines with respect to their relevance, completeness, reliability, neutrality and understandability;
  - verified that the indicators cover the entire scope of the Entity's status as a mission-led company;
  - gained an understanding of the internal control procedures the Entity has put in place and assessed the data collection process implemented by the Entity to ensure the truthfulness of the indicators;
  - implemented analytical procedures and controls to verify the proper consolidation of the data collected and the consistency of any changes in those data;
  - implemented tests of detail, using sampling techniques, in order to verify the proper application of the definitions and procedures and reconcile the data with the supporting documents. This work was carried out through verifications at the headquarters of the Entity and with a selection of entities, presented in Appendix 2, contributing to and representative of the scope covered by the status as a mission-led company, and accounts for between 22% and 100% of the data used for the calculation of the indicators;
  - assessed the overall consistency of the Mission Committee's report(s) with respect to our knowledge of the Entity and the scope concerned by mission-led company status.

The procedures performed in a limited assurance engagement are less extensive than those required for a reasonable assurance engagement performed in accordance with the professional guidance of the CNCC; a higher level of assurance would have required us to carry out more extensive procedures.

The independent third-party organization,  
**Mazars SAS**

Paris La Défense, March 20<sup>th</sup>, 2024

**TRISTAN MOURRE**  
Sustainability Partner

## Appendix 1: Audited indicators

**HEALTH**

Statutory Objective: **Impact people's health locally with a portfolio of healthier products, with brands encouraging better nutritional choices, and by promoting better dietary habits.**

Operational objective 1: **Provide better products for children's health**

KPI 1 - % of volume sold of Dairy and Plant-Based Kids Portfolio will have  $\leq 10$  g total sugars /100g

KPI 2 - % of volume sold of formula milks with added sugar:

$\leq 1,25$  g/100 kcal for toddler milks intended for 1-3-year-olds

$\leq 2,0$  g/100 kcal for milks intended for 4-5-year-olds

Operational objective 2: **Positively impact children's health**

KPI 1 - Number of projects to address iron deficiency / anemia

KPI 2 - Number of projects to support women choice of breastfeeding

Operational objective 3: **Enable people to make informed nutritional choices**

% of volume sold of dairy, plant-based and Aquadrinks products with on pack/online interpretative nutritional information

**PLANET**

Statutory Objective: **Preserve and renew the planet's resources by supporting regenerative agriculture, protecting the water cycle, and strengthening the circular economy of packaging across its entire ecosystem in order to contribute to the fight against climate change.**

Operational objective 1: **Drive climate action across our value chain**

KPI 1 - Average year-on-year greenhouse gas reduction for scope 1, 2 and 3 emissions (excl. Use of sold products)

KPI 2 - Enhanced holistic and integrated roadmap aligned with SBTi 2030 targets, across all functions, categories and Country Business Units

Operational objective 2: **Make agriculture a solution**

KPI 1 - Tool deployed in all priority regions and across priority ingredients

KPI 2 - % of key ingredients sourced directly from farms that have begun to transition to regenerative agriculture

Operational objective 3: **Foster a circular economy of packaging**

KPI 1 - Collection infrastructure for PET &/or PS cups set up in France, enabling cups to be recyclable

**SOCIAL**

Statutory Objective: **Entrust Danone's people to create new futures: building on a unique social innovation heritage, give each employee the opportunity to impact the decisions of the Company, both locally and globally.**

Operational objective 1: **Enable Inclusive and engaged workforce to support Danone's Mission and growth**

KPI 1 - % of Exec & Directors trained with revisited Culture element.

KPI 2 - Action plans from Danone People Survey (DPS) developed by Topic Owners and Local teams and implemented at global, local and functional level.

KPI 3 - Pulse or Light DPS launched to track progress with minimum participation of 80%

Operational objective 2: **Drive gender equity for Danoners and inspire greater gender balance in our industry**

KPI 1 - % of senior leadership that globally identify as women

KPI 2 - Close gender pay gap (managers and above) in the range of 3 points

Operational objective 3: **Support Danoners life-long employability, especially those most at risk**

KPI 1 -

% of beneficiaries of FutureSkills have secured transition to a job of the future, internally or externally

% of CBUs with eligible people have proposed Future Skills to employees and/or their representatives

KPI 2 - Establishment of baseline & reporting system based on the pilots in CBUs (Mexico, Spain, Belgium, Germany and Switzerland)

## Appendix 1: Audited indicators

**INCLUSIVENESS**

Statutory Objective: **Foster inclusive growth by ensuring equal opportunities within the Company, supporting the most vulnerable partners in its ecosystem, and developing everyday products accessible to as many people as possible.**

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Operational objective 1: **Protect most vulnerable members of our value chain**

% procurement spend coverage by responsible sourcing due diligence program (excl. raw milk as this is covered by regenerative agriculture)

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Operational objective 2: **Provide safe drinking water to those in need**

KPI 1 - Closing of the W2AF (Water Access Acceleration Fund)

KPI 2 - Millions of people on average that were reached daily with safe drinking water by the dedicated danone.communities fund, Water Access Acceleration Fund (First investments by the Fund) and brands partnerships.

KPI 3 - Assessment of the deal flow following first year launch of the Water Access Acceleration Fund

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Operational objective 3: **Be globally certified as a B Corp company**

% of net sales covered by B Corp certification

## Appendix 2 : Audited entities

COUNTRY	CATEGORY	CBU Name
China	SN - ELN	Nutricia Early Life Nutrition (Shanghai) Co., Ltd
China	SN - ELN	Danone Nutricia Hong Kong Danone Nutricia Online Distribution Hong Kong
China	SN - AMN	Nutricia Pharmaceutical Wuxi Medical Sales
China	SN - AMN	Nutricia Trading (Shanghai Medical)
China	SN - AMN	Nutricia Medical Hong Kong SEA
China	Waters	DANONE WATER CHINA Mizone
Germany	SN	Danone Deutschland GmbH
Germany	EDP	Danone Germany
Japan	EDP	Danone Japan
Brazil	SN	Support Produtos Nutricionais Brazil Baby
Brazil	EDP	Danone Brazil Dairy
Thailand	SN	Danone Specialized Nutrition (Thailand) Co. Ltd
Poland	SN	Nutricia Polska/ Poland Baby
Spain	Waters	Font Vella
Morocco	Africa	Centrale Danone Site - Fkih Ben Saleh
Canada	EDP	Danone Canada Delisle
Mexico	EDP	Danone de Mexico
Belgium	EDP	Alpro NV
USA	EDP	Danone US LLC
France	Waters	SA Des Eaux Minerales D'Evian / Volvic
United Kingdom	SN	SN UK

Learn more  
[www.danone.com](http://www.danone.com)



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ONE PLANET. ONE HEALTH