



DANONE



Our Nutrition & Health Commitments

2015
Achievements



Our transformation journey

Danone 2020 is a five-year plan for transformation, defining our strategic priorities and the changes we want to make over the first five years. It is founded on three complementary and interdependent streams that cover the scope of our business, sustainable ways to run it, and our broader social goals. The common thread running through each of them is “collaboration” with both internal and external stakeholders – a key way to ensure success. To reinforce our dual commitment to business success and social progress, we wrote a Manifesto, and, hereby, acknowledge that we cannot work for healthier choices and lifestyles without caring about the health and wellness of our communities. This Manifesto embodies

our commitment to build an alimentation revolution for the health of Danone, the health of our planet and our whole ecosystem, the health of current and future generations. Through the Manifesto and Danone 2020, our company is developing a revolutionary approach to tackle health issues through food. For us, alimentation is more than food and beyond selling healthy food and beverages, we want to promote healthier eating and drinking practices which nourish individuals socially as well as culturally.



Danone

Our Key Actions:

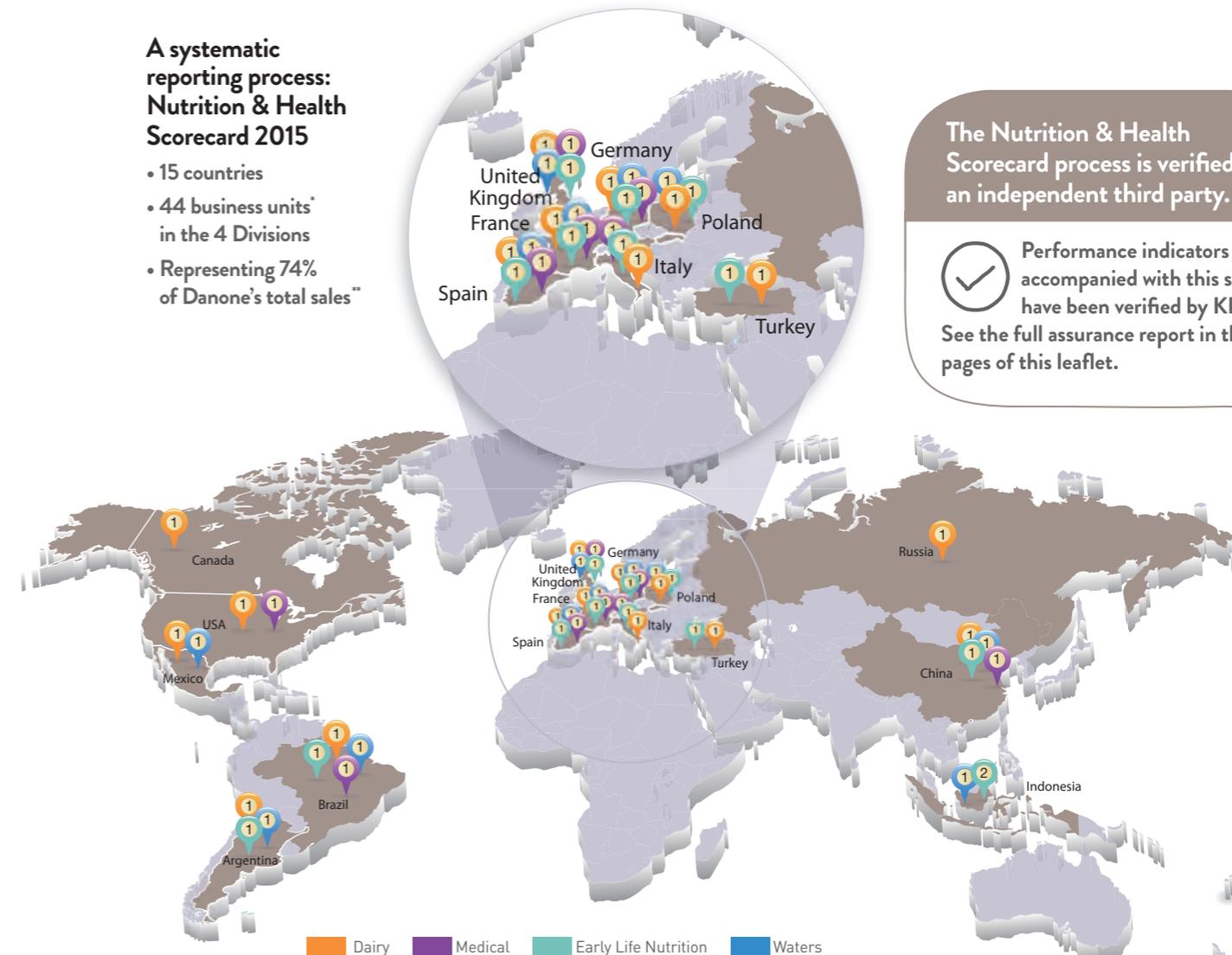
- Focus on essential food categories
- In-depth knowledge of local food & health contexts to propose relevant solutions
- Invest in R&D to achieve both superior taste and superior nutrition
- Impact on consumers’ health beyond products
- Connection with external stakeholders and the academy

Our 5 Fundamental Commitments

1. Offer products tailored to nutritional needs and recommendations, tastes, and incomes.
2. Develop products with relevant, scientifically proven health benefits that meet real nutritional needs.
3. Give consumers clear information and advertise responsibly.
4. Promote healthy eating and healthy lifestyles.
5. Address major health and nutrition societal challenges.

A systematic reporting process: Nutrition & Health Scorecard 2015

- 15 countries
- 44 business units* in the 4 Divisions
- Representing 74% of Danone’s total sales**



The Nutrition & Health Scorecard process is verified by an independent third party.

Performance indicators accompanied with this symbol have been verified by KPMG. See the full assurance report in the last pages of this leaflet.

* Changes since last year: Water Turkey (Hayat) was reintegrated in the reporting perimeter. One of the ELN business units in China (Dumex) and the Dairy business unit in China were excluded from the reporting perimeter.

** Non-food products are excluded from reported sales. Imports are included in the reported figure while exports are excluded. KPI based on sales are now expressed in volumes. The Waters division represents 80% of the total sales volume in the Scorecard perimeter, whereas Fresh Dairy represents 14%, Early Life Nutrition 6% and Advanced Medical Nutrition 0.3%.

GOVERNANCE

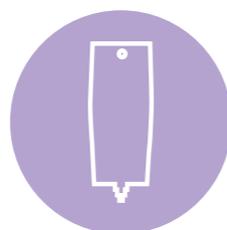


1st
commitment

PROPOSE NUTRITION SOLUTIONS CONTINUOUSLY TAILORED TO NUTRITIONAL NEEDS AND RECOMMENDATIONS, TASTES, AND INCOMES



Dairy products with more than 50% milk



Medical Nutrition



Early Life Nutrition products except biscuits, rusks, teas, juices



Water and Aquadrinks with 0% sugar

88% 
of volumes*
in healthy categories

ESSENTIALITY

* For this figure and all other figures in volumes in this leaflet, a conversion factor has been applied for all products that are not consumed as such but "reconstituted," e.g. milk powders that must be added with milk, etc.

Open Alimentation Forums

Danone wants to be an eye-opener regarding the cultural link between health and food. In order to keep the debate moving forward, Danone wants to organize open forums around the world on this subject. Explorations started by focusing on the very unique culture linking health and food in Japan, called "Ishoku-Dogen," which literally means "food and medicine from the same source."

Amongst other features, the *Ishoku-Dogen* concept emphasizes the importance of combining ingredients with five tastes depending on the season and the disease. It also incorporates Japan's old folk medicine and natural remedies. In order to maintain the balance between evolution and tradition, Japan has chosen to place the cultural link between health and food at the forefront. It became the first country to officially recognize the concept of "functional food," and has developed a unique regulatory approach to support it. Many projects associating private and public partners are underway to preserve *Ishoku-Dogen*. And since 2005, dietary education or *Shokuiku*, is part of the program for every Japanese pupil. This journey on the path to *Ishoku-Dogen*, co-organized with our partner Yakult, has been an opportunity to gather the best experts on the subject and to share new approaches regarding the assessment of food's impact on health.

Danone supports scientific research and programs aimed to better understand Nutrition & Health local population needs; offers best possible products accordingly; supports and educates parents and healthcare professionals (HCPs).

In 2011, Italy was the third country in the world in terms of prevalence of overweight and obesity among children (OECD 2011). As the food habits within the first 1000 days have an impact on future health, it was crucial to understand the specific food habits and needs of Italian babies.

For this reason Danone provided an educational grant for the 'Nutriintake 636,' the first ever study in Italy on infant early nutrition. In 2012-2013, the study first focused on infants and children aged 6-36 months, and their energy and nutrient intakes, anthropometric measurements and eating habits. The results of this first phase were



published in August 2014. The second phase of the study 'Nutriintake 636 FU' consists in the follow-up of the babies to assess the quality of the diet and the lifestyle 3 years later (2015-2016). As the first phase study showed, among other conclusions, that babies had excesses of sugar and sodium and insufficient intakes of iron and fiber, the business unit started optimizing its portfolio to offer baby food with no added sugar and no added salt and launched a new young child formula as a significant source of iron and fiber.



NCBI



Nutritional challenges during the First 1000 days in Latin America

The First 1000 days of life, including pregnancy and the first 2 years of age, have been considered essential for an adequate development and growth. Several studies have stated that malnutrition during pregnancy and a low birth weight have a negative impact in both childhood and adulthood, contributing to the burden of disease. The objective was to describe the nutritional status during the First 1000 days in four countries of Latin America: Colombia, Argentina, Chile and Brazil. In conclusion, despite the inherent country differences, the nutritional challenges during the First 1000 days are similar. Obesity, overweight, low prevalence of exclusive breastfeeding and micronutrient deficiencies are common and priority issues in the region. Persistence of anemia remains a problem despite the use of fortified foods and supplementation. Therefore, defining the right combination of foods/nutrients, education and lifestyle interventions to optimize nutrition and health are challenges in Latin American countries.



SCIRP



SciRes



Sustain Active product with zero sugar



Dannon joined the Partnership for a Healthier America in 2014 with a 4-part commitment. After two years, **Dannon has already met its commitments for sugar and fat reduction** (with 76% and 83% of the volume sold containing respectively <13.5 g total sugar per 100g and meeting the US FDA definition of “fat free” or “low in fat”), and is well underway to achieve by 2017 the two other objectives (products’ nutrient density and investments in research and education).



In **Danino Drink**, added sugars have been reduced by 18% since 2013 and a new formula without fructose has been launched. Activia 0% has been relaunched with a new formula without artificial sweeteners where sucralose is now replaced by stevia.



85% of the total volumes sold by the Water division is Water and only 15% are Aquadrinks. 87% of Danone’s Aquadrinks are now at or below 5 g of sugar/100 ml (compared to about 10-11 g/100 ml in regular soft drinks). Since 2008 the company has reduced by 25% the sugar content of its Aquadrinks portfolio, and in some countries has completed the range with zero-sugar options. The sugar reduction strategy continues. For instance, in **France, Spain & Argentina**, all Aquadrinks are being reworked to reduce the sugar content.

29%

of volumes have been nutritionally improved in the last 3 years*

* 2013-2014-2015, in % volume 2015. Scope Dairy + Early Life Nutrition + sugared Aquadrinks.

86%

of volumes sold in 2015 are in line with demanding standards **



Dairy products compliant with Danone standards



Water and Aquadrinks compliant with Danone standards



Early Life Nutrition Products compliant with Danone standards



Medical Nutrition

51%

of volumes sold in 2015 are fortified products



**The products reported are compliant with the benchmarks indicated above. If a product contains both compliant and non-compliant recipes, only the compliant ones will be included in the figures.



Water is the healthiest way to hydrate

Danone is still strongly engaged in promoting healthy hydration

- Since 2012, Danone Nutricia Research partners with the European Association for the Study of Obesity (EASO) to promote healthy hydration. In 2015 the EASO Healthy Hydration Working Group made available two infographics, explaining the importance of drinking water as a healthy choice, and providing tips to help improve water consumption. It has been translated into 6 languages and disseminated through the EASO network to more than 25,000 obesity specialists.
- The International Society of Nephrology (ISN) extends the global partnership with Danone Nutricia Research to include the Oby25 project. This initiative aims at promoting globally applicable strategies that permit timely diagnosis and treatment of Acute Kidney Injury (AKI) for patients with potentially reversible diseases. Dehydration is #1 cause of AKI in developing countries.
- The official recommendations for water intake data, which are generated from nutrition surveys, specific to food and thus inaccurate for fluids. The purpose of the *Liq.in7*® program, launched in 2000, was therefore to better understand consumers’ and communities’ fluid intake behaviors. Results from 15 countries have been published in the European Journal of Nutrition in July 2015 representing the 1st and world’s largest database on fluid intake. 10 international scientists participated in this study which includes 198,100 fluid intake days for 16,300 adults and 12,000 teenagers and children. One of the top eye-opening findings of *Liq.in7*® is that 60% of men, 40% of women and up to 65% of children and teenagers drink less than the EFSA’s reference values for water intake. This confirms that there is a real need to find ways to help people to drink more and adopt healthier drinking habits by preferring water as the healthiest option. Danone Waters has thus come up with several solutions to meet the need and help people improve their hydration habits.



EASO



Oby25



Liq.in7



2nd
commitment

DEVELOP PRODUCTS WITH RELEVANT, SCIENTIFICALLY PROVEN BENEFITS



Nutricia Foundation Poland was established in 1996 and has acted successfully in the scientific area since then. Thanks to relations and cooperation with research units in Poland, the foundation is perceived as a supportive and credible partner for the scientific societies.

Iron deficiency is one of the most frequent deficiencies observed during infancy in Europe. For this reason a well-designed and randomized study on Polish infants was performed. In 2015, the results were published thanks to the scientific cooperation between Danone Nutricia Research, Danone Nutricia Poland and the Polish Children's Memorial Health Institute. Results show an association between early consumption of cow's milk (<12 months) and iron deficiency. Findings highlight the importance of appropriate milk feeding and complementary feeding during infancy, in order for the infants to reach adequate iron intake, maintain a healthy iron status and prevent negative impact of iron deficiency.



Milupa Nutricia in Germany supports mothers during the lactation period to breastfeed their babies as long as possible. Medical conditions like mastitis (around 25% of lactating mothers suffer from at least one episode) or even early signs of mastitis like soared teats or breast engorgement are strong barriers to prolonged breast-feeding. The probiotic dietetic solution "Profutura Mama Probiotikum" has been proven to reduce the bacterial counts of pathogens in breast-milk and to reduce breast pain. A survey involving 52 midwives showed that 96% of them confirmed the improvement of symptoms. More than 31% of midwives observed the improvement already after 2 days of oral intake and after 6 days the relief was observed in nearly 80%. More than 93% consider the product to support breast-feeding because the quick relief of symptoms is motivating to continue to breast-feed.

Sources : Quantitative Studie zum Thema Schwangerschaft und Stillen, TNS Infratest 2014.



aem.asm.



e-lactancia



35

subsidiaries out of 44 (representing 89% of sales in the scope) have a person accountable for the Health & Nutrition matters



More than **21,000**

employees have been trained in Nutrition and/or Hydration during the last 2 years



1,571
employees

2

international research centers: the Centre Daniel Carasso (Palaiseau, France), the Nutricia Research Centre (Utrecht, The Netherlands)

4

specialized centers

55

branches around the world

€307

million annual budget

200

partnerships with the international scientific teams most recognized in their fields



Given the unique portfolio and mission of Danone, the activities of Danone Nutricia Research are devoted to Nutrition & Health.

In the news in 2015...

- Danone Nutricia Research started a new partnership with EFAD (European Federation of the Associations of Dieticians) for education. EFAD's mission is to support member Associations in developing the role that dieticians have in the improvement of nutritional health in Europe. The collaboration is focused on the European Healthy Hydration Awareness Campaign aiming at embedding the importance of healthy hydration in health and illness throughout the life cycle.



Efad

- Danone Nutricia Research in Palaiseau is working on a Big Data & Analytics Pilot which is starting to bare its fruit. The use case for this pilot supports a strategic objective that the company has on being able to quickly and simply analyze Food & Fluid Intakes globally in order to extract key insights for category relevance & innovation in particular (e.g. contribution to nutrient intakes, food alternatives, simulation of impact...).

RELIABILITY

96

clinical trials underway at the end of 2015

397

scientific publications and presentations at conferences worldwide in 2015

511

patent families at the end of 2015

655

new products launched in 2015



TRANSPARENCY

3rd
commitment

**INFORM CONSUMERS
CLEARLY AND
FACTUALLY
AND ADVERTISE
RESPONSIBLY**

59%

of volumes with nutrition claims in the scope Dairy + Aquadrinks + Early Life Nutrition

100%

of claims went through the internal validation procedure



99%

of volumes** have nutritional on-pack information

99%

of volumes** have nutritional off-pack information

(e.g., on website, or through a consumer info line)

69%

of volumes** give clear portion size guidance

98%

of volumes in the EU* carry Front of Pack nutritional information



* Scope Dairy + Aquadrinks
** Scope all products except Water



Advertising directly targeting children under 12 represented 11% of advertising expenditures in 2015 for the Dairy and Waters Divisions

Danone's commitment to limit advertising aimed at children under 12 in the EU is audited every year by external auditors in the frame of the "EU pledge on advertising to children."

- regarding television advertising: in 2015, the audit covered 7 countries and a total of 57,038 televised advertisements were verified in the first quarter of 2015 for all players. 98.7% of Danone ads were compliant with the company's commitments in the EU Pledge. All non-compliances have been addressed with a corrective action plan.
- regarding websites and social media: 8 countries were covered in 2015. A total of 219 national brand websites were reviewed over a two-month period. For the first time in 2015, 71 national brand social media were also verified. None of the 17 Danone websites reviewed, and none of the 5 Danone profiles reviewed, was in breach of the EU pledge commitments.

100%

of advertising complies with ICC Code of responsible marketing or equivalent local codes***

Responsible marketing for Breast-Milk Substitutes

Danone acknowledges the importance of the International Code of Marketing of Breast-Milk Substitutes (WHO-Code) and subsequent relevant WHA resolutions, and supports the WHO's recommendation calling for exclusive breast-feeding for the first six months of age and continued breast-feeding up to two years and beyond, combined with the introduction of appropriate complementary foods thereafter.

As a company it is important that we are consistent, clear and transparent. It is also imperative that we continually monitor our marketing practices, ensuring compliance with the WHO Code, and local/national regulations at all times.

The Early Life Nutrition division introduced, in July 2011, a Policy for the Marketing of Foods for Infants and Young Children, which forms the core of how Danone has implemented the WHO Code recommendations. A revision to this policy is planned for 2016.

To ensure that the policy has been effectively implemented, an independent third party expert conducts external audits yearly. We commit to at least three audits each year, and this practice will continue in 2016. We will also shortly be publishing the audit reports starting with the audits conducted in 2014.

*** Scope Dairy + Waters + Aquadrinks

3,211 employees

were trained in 2014-2015 on the WHO Code and the Danone policy for marketing of breastmilk substitutes.



RESPONSIBILITY

53

countries or regions covered by Nutripack at the end of 2015

=

20

countries with data on the whole population

+

8

countries with data focused on adults and children over 3

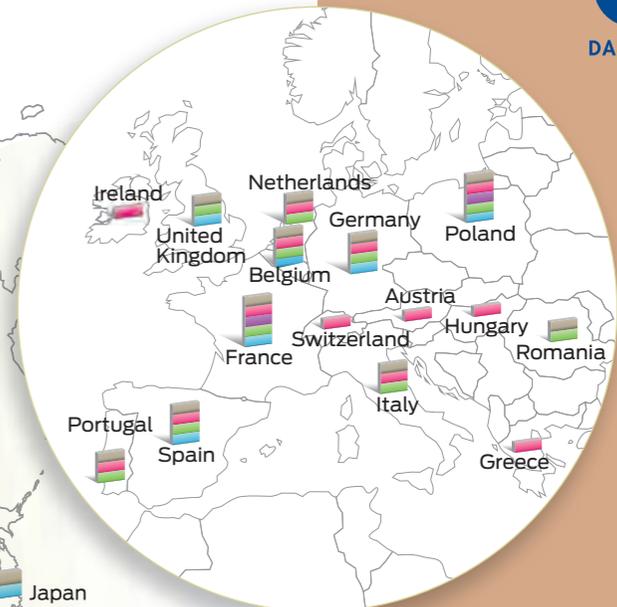
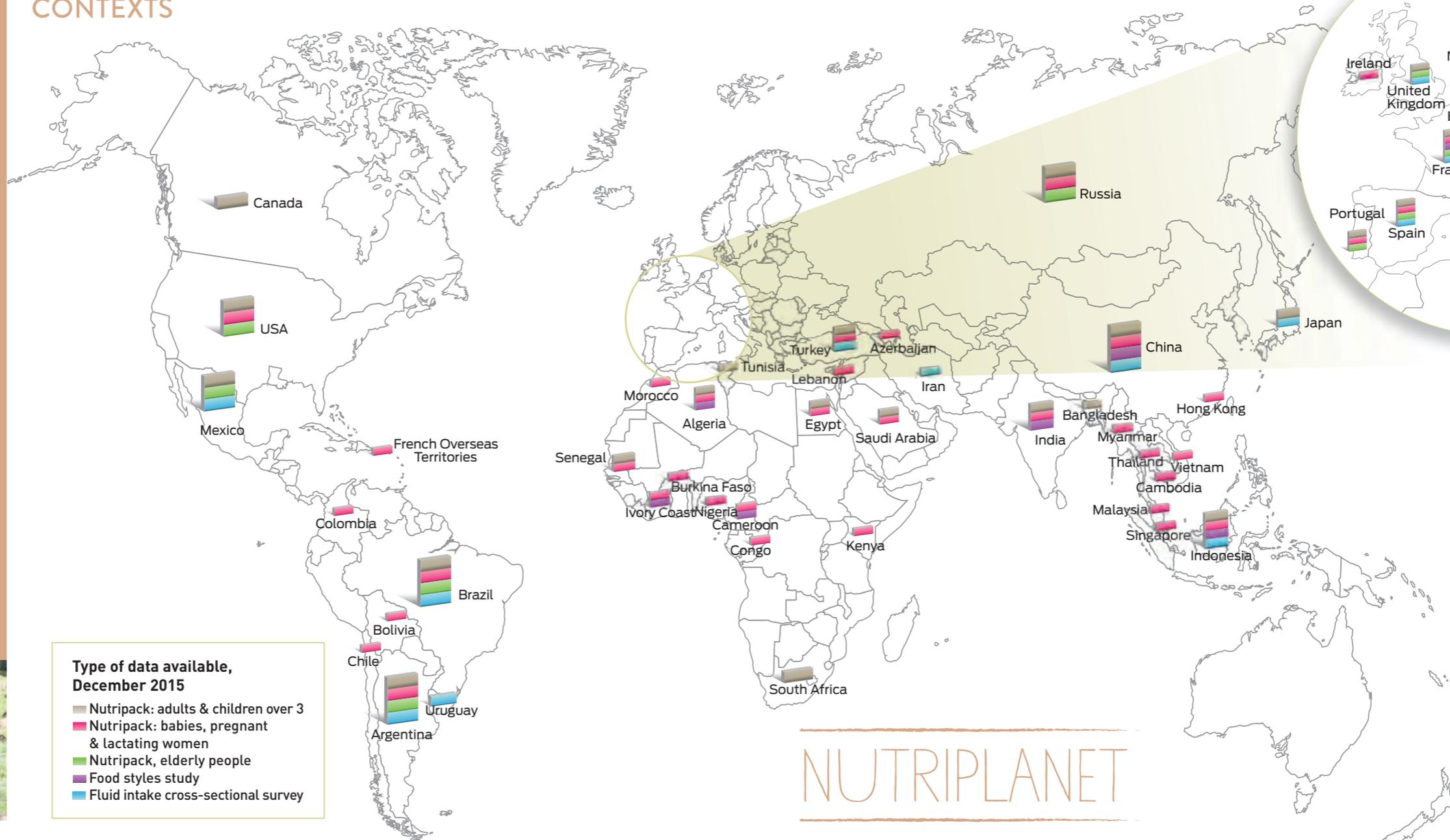
+

25

countries with data focused on babies and pregnant & lactating women



IN-DEPTH KNOWLEDGE OF LOCAL FOOD & HEALTH CONTEXTS



Moreover:

15

countries with additional focus on elderly people

15

countries with fluid intake cross-sectional surveys

8

countries with food style studies

NUTRIPLANET



4th
commitment

PROMOTE HEALTHY DIETS AND LIFESTYLES

AWARENESS



An e-learning platform on nutrition allows employees to increase their awareness on nutrition through articles and quizzes.



Sleeping week: posters & leaflets, best practices for a better sleep, videos on sleepiness while driving.



“Employee Assistance Program”: a confidential resource that provides a wide range of services from assistance with financial planning, child and elder care services, to counseling for personal issues (mental health hotline).



Promotion of physical activity and healthy habits by creating a “health traffic light” so the employees can measure their progress every 2-6 months (BMI, weight, waist, physical condition index, etc).



Cholesterol control campaign: 85 participants reduced their high cholesterol level by 11.1% on average in 3 weeks.



Wellness program along the year with weight loss coaching, conferences on nutrition and health topics, fruit distribution, sport and stress management.



Organisation of “Health & Wellness Week” with various activities open to all employees, such as seminars on stress management, healthy eating, meditation & fitting in fitness, as well as health screenings. It increased physical activity and awareness on topics highlighted.



Focus on creating healthy habits of employees (diet, health checks, sport activity, ergonomics, stress reduction). It increased physical activity and the number of health check-ups. Very positive feedback from employees. This well-being program was included in Poland’s best wellness practices by HRK, the main Polish Job site & recruitment portal.



Back scan program, a 12-week coaching to determine the causes of back problems. Modules provide solutions for complaints or treat pain.

In the Scorecard perimeter,

43 ✓

subsidiaries out of 44 give their employees access to a health & wellness program

Some examples, among many others →

In total,

50,412

employees have access to these programs (73% of the total staff in the perimeter)

148 ✓

informative and educational programs with a potential to reach 579 million people*

Dairy



37

programs

Potential reach: ~ 91 million consumers

Waters



23

programs

Potential reach: ~ 121 million consumers

Early Life Nutrition



51

programs

Potential reach: ~ 367 million parents

Medical Nutrition



37

programs

Potential reach: ~ 270,000 patients & caregivers

* People reached by several programs can be counted several times.

Danone proposes its own programs, developed in collaboration with academic and/or governmental partners, and also supports programs developed by others.

Some examples, among many others:



Mundialito La Serenisima, a soccer tournament that aims at promoting sport as a value and healthy habits.



Seventeen years ago Danone Hungary launched the TEGY (Do More for Children) social program, a healthy lifestyle promotion program for children. Since then, each year several social programs are co-created with leading national nutritional and sport organizations and run under the TEGY umbrella.

In 2014 and 2015, Danone ran an education campaign in schools towards 11 to 12-year-old children, including trainings, interactive lessons and a small movie contest providing the winning schools one yogurt a day for 1 semester.

Children from 33 schools in 10 different regions of Hungary could acquire the principles of a healthy lifestyle, a balanced and mixed diet and general knowledge on regular exercise.



Bonafont Race emerged as an effort from Bonafont to empower and inspire women to have a healthier lifestyle. Started in 2005 with 8,900 participants, the race reached 65,000 women in 2015.



The breast-feeding period is a highly emotional and insecure period for mums with many physical challenges. Even with a high initial breast-feeding rate in Germany (>90%), 2 out of 3 mums stop exclusive breast-feeding within the first 4 months. As part of its global initiative to support mothers and children in the First 1000 Days, the business unit now offers education, services and products to breast-feeding women in Germany, with the ultimate aim of contributing to the WHO Nutrition Target to increase exclusive breast-feeding rates at 6 months. In parallel, other business units (Spain, UK, Brazil, Argentina, Indonesia, Italy and Poland) also launched courses and surveys to assess and increase the awareness of mums on the First 1000 Days program.



Meeting between an expert and 5 mothers of children with Cow's milk allergy (CMA). Mothers made testimonials about the impact of healthcare professionals (HCPs) prescriptions on their children's health. This event had 2 main outcomes: 1) to inform mothers, showing that they can ask their doctors to investigate better CMA and use amino acid formulas, 2) a video of the event was made, to make HCPs aware of the tough reality of mothers of children with CMA.



1,340 courses were organized on the First 1000 Days program in 2015 and reached more than 16,000 people.

Primeiros 1.000 dias



Nutricia, in partnership with several local associations, launched the program "Eating healthy, growing healthy" aimed at empowering 150 young dieticians, in order to educate 12,000 Day Care Centre caregivers, to provide better nutrition for 75,000 children. 76% of caregivers improved their menus, for example by cutting down on salt and sugar in dishes or serving water more frequently to children.



In 2015, the Supersaludable NGO performed 17 shows of the Musical "Supersaludable & The Amazing World of Food" with the sponsorship of Fundación Danone. The purpose of the show is to foster healthier habits in children. 13,800 children were reached by this project.



The national program "Atelier Toque Chef Loprofin" is dedicated to infants and adults with Inherited Metabolic Disorders. This program is developed with healthcare professionals (physicians and dieticians) and a patient association (Les Feux Follets). The aim of the program is to teach how to prepare very low protein recipes using specific low protein products. 15 "Ateliers" held in 2015 reached 107 patients who then shared their experience of these "Ateliers" with other patients on social networks (mainly Facebook).



A program has been launched to improve the treatment of allergic babies with tailored tools. To increase awareness, hospital posters and brochures are available to HCPs, and a website, endorsed by the Allergy Association, informs the parents (risk test, follow-up e-mails, questions and answers...). For diagnosis and treatment, a booklet of case studies written by an expert, a calculation website and an app for reporting are also proposed.



Bebekvealerji



Several tools co-developed and endorsed by local scientific associations, are offered to inform parents and help HCPs to assess some health or nutritional issues in early stages of infancy, and the nutritional status of pregnant women.



"Aqua 2-4-2" is a communication program aimed at informing people on how to stay hydrated during the fasting month.



Obesity in childhood is a Public Health issue in Mexico. "Campeones de la Salud" is a program targeted at 10 to 12-year-old children to promote physical activity, healthy diet and positive values, as part of a healthy lifestyle. This program was created by Danone in 2013 and reviewed by experts from the National Public Health Institute (INSP). After 4 years, the children increased their knowledge on food groups, made smarter choices for lunch, consumed more vegetable, fruit, yogurt and water, and increased their physical activity through football practice.



Apart from programs targeted at consumers, Danone also implements/ supports programs for healthcare professionals. Some examples, among others:



2 courses on Bone Health for Pediatricians



Conference for the members of the Turkish Pediatrician Association, to share most recent scientific data in pediatrics, including nutrition and hydration



Interactive discussion for pediatricians neonatologists on clinical feeding practices and recommendations



600 HCPs trained on Healthy Snacking



Trainings on "Ensuring health of future generations" (specific needs and recommendations per stage in early life) and "First 1000 Days of a baby with specific needs" (focus on Allergy and Digestive Discomfort)



5th
commitment

ADDRESS MAJOR HEALTH & NUTRITION RELATED CHALLENGES



Elsevier
Masson



Led by the French Society of Clinical Nutrition and Metabolism (SFNEP), a global work is in progress to foster official recognition of undernutrition (*dénutrition*) as a Public Health concern in France.

Regarding elderly people, an ambitious clinical study ENNIGME has been launched. This multiparty project aims to demonstrate the economic value for the French health system to set up and apply nutritional management in elderly people with oral nutritional complements.

Regarding infants, an undernutrition screening week has been organized by Danone, aiming at measuring its prevalence in paediatric wards in order to increase awareness on this issue.



In Argentina the GAPA (Food Guidance for the Argentinian Population) recommended to drink 2L water per day but with no specific mention of pure water. Danone worked with key opinion leaders in link with local authorities to update the Guidance, that now includes the advice of drinking 8 glasses of safe water per day.

Similarly, in China, the official recommendation to drink 1,200mL water per day used to be the same for all groups of the population. Danone collaborated with the Chinese Center for Disease Control and Prevention to drive a more detailed water intake recommendation for Chinese people from a scientific perspective. Several water surveys on adults and children were conducted and new water recommendations have been set considering age, gender and pregnancy status.



“Meu dia saudável!” is a nutrition education project which aims to stimulate healthy eating habits from childhood, healthy hydration and proper personal hygiene habits through recreational workshops and theatrical performances in Jacutinga schools. This project has been endorsed by the Brazilian Ministry of Culture.



Sarihusada, with several communities, held the “Ayo Melek Gizi” carnival in Jakarta in January 2015 to increase the awareness of the population on balanced nutrition and healthy food. The main activities were nutrition education and consultation, demonstration of attractive cooking of healthy food, fun walk. Thanks to the massive coverage from national media, this event reached more than 3,000,000 people.



“Aliados en Alzheimer” is a project that has been developed by Nutricia to improve the quality of life of early Alzheimer patients. Information on the disease and its treatment is discussed in a classroom session, followed by different workshops focusing on exercise or cognitive activities. Thanks to this program, first piloted in Catalonia, Nutricia won the 2015 “Award of The Best Idea.” / Twitter #mejoresIdeasDM



The Liq.in7 Polish national survey reveals that Poles are not meeting their water adequate intake as defined by EFSA.

In early 2015, Danone, in partnership with renowned and trusted institutes, initiated the “Woda Na Start” campaign, aimed at educating Poles on the reasons to drink water. A high media communication has been launched (non-standard TV, Press release, digital) supported with engaging tools (dedicated events, water calculator mobile application). Thanks to the program, the awareness on the importance of healthy hydration increased as well as the knowledge of the benefits of drinking water.

165

advisory panels active at local level



In total, the local business units are in regular relations with

1,743

external scientific experts



CO BUILDING



A global approach to low-income populations, deployed locally

Nutrition-related health is still a big issue in the UK and the link between poverty, low basic skills, poor nutrition and long-term ill-health is well established. For this reason, in 2012 the Healthy Eating for Young Children (Hey!) program was founded in partnership with Danone Nutricia Early Life Nutrition, Wiltshire Council, 4Children and Community Health and Learning Foundation (CHLF). The program covers topics such as budgeting, food safety, portion sizes and cooking skills through interactive and practical learning. Each session is followed by one hour preparing and eating a communal lunch. For many of the parents, attending a Hey! program represents their first steps back into learning. It builds their confidence and they develop a relationship with the Children's Centre.



Addressing affordability and accessibility

Studying food styles enables to be relevant from a socio-cultural perspective. In **France**, Blédina is working on better supporting parents in their daily tasks; therefore their baby's needs can be fulfilled. In collaboration with food sociologists from the French National Center for Scientific Research (CNRS), a group of young parents has been interviewed to get a better understanding of food's role in socializing children. It enabled Blédina to better understand parents' everyday life and constraints regarding their baby's diet, and to design relevant solutions to support them. This work has been presented at the 12th European Nutrition Conference (FENS) in 2015 in Berlin.

In **France**, Blédina is engaged with the "Le Grand Forum des Tout-Petits" association. Tools have been developed on different topics to raise awareness among people in precarious situations on the importance of a good nutrition from the very beginning.

In **Spain**, the ALSALMA study, funded by Danone Nutricia, is an observational study of nutritional patterns of Spanish children from 0 to 3 years. A total of 95.9% of the children between 7 and 36 months had a protein consumption more than twice higher than the Recommended Daily Allowance. The deficiencies observed in the age group 13-36 months, were mainly vitamin D, E and iodine. The encouragement of healthy feeding should be directed towards the correction of the dietary imbalances detected, in order to promote the future health of children.



Science Direct

Healthy offerings at low cost...



- In **Italy**, Mellin products in x12 jars trays more affordable than in packs of 2 jars.
- In **Indonesia**, extension of the SGM range with Lumina "Berdua Jadi hebat": an affordable product in terms of price (lower price compared to competitors) and of form (the powdered milk is more practical compared to liquid milk). As it is designed for a specific population, products have been fortified.
- In **Argentina** La serenísima baby4, a fun and attractive product.
- In **France**, with the Malin program, Blédina proposes special lower prices for associations who help families who need affordable products.



In **Mexico**, launch of 2 aquadrinks (Bonafont con Jugo and Levite) to provide Mexican consumers with an affordable and healthier alternative.



The CEEEC is a project that aims to motivate young women aged 16 to 21 years to become creative entrepreneurs. This project was created by an NGO in Rio de Janeiro and supported by Danone Waters. The 100 young women participated in courses in fashion, design, film, photography, health, human rights and social media divided into 4 modules throughout the year. Danone Health Marketing team was responsible for the Health classes content and Danone's goal was to create healthy hydration leaders inside the community and spread the message in a concrete network.

Many Danone business units donate products and/or money. Some examples:



The "Kick off the Steps to Best Care Challenge" was open to all employees. 74% of employees accepted the challenge and walked 97,707,661 steps. By simply making an effort to walk or run, participant steps helped raise funds for the Children's Medical Nutrition Alliance (CMNUA). These funds were used to help promote awareness and patient support for children who are in need of medical nutrition.



Danone Dairy **Hungary, Romania, Czech republic, Bulgaria and Slovakia**, have been working in collaboration with the National Food Banks for several years. In each country Danone supplies to the Food Banks products, which comply with all regulations but cannot be sold because of the use-by-date. Thanks to this initiative, the company contributes to fight malnutrition and reduce food waste in these countries.

SOCIAL BUSINESS

LIMITED ASSURANCE REPORT ON A SELECTION OF DANONE NUTRITION & HEALTH INDICATORS FOR 2015

VERIFICATION

As requested, and in our capacity as an independent third party, we hereby present our report on a selection of Danone Nutrition & Health indicators for 2015 selected by Danone Group and identified by the symbol  in the Group's 2015 Nutrition & Health leaflet (hereinafter "the Indicators").

MANAGEMENT RESPONSIBILITY

The Indicators were prepared under the responsibility of the Danone Research Department, in accordance with the Nutrition & Health User guides which may be consulted at the department. The methodological notes given in the Nutrition & Health leaflet provide further details on the reporting period, the consolidation scope and the definition of specific Nutrition & Health Indicators published.

INDEPENDENCE AND QUALITY CONTROL

Our independence is defined by the rules and regulations, ethical code of the profession and our internal procedures. We have also implemented a quality control system comprising documented policies and procedures for ensuring compliance with the code of ethics and professional auditing standards.

RESPONSIBILITY OF THE INDEPENDENT THIRD PARTY

It is our responsibility, based on the work performed, to express a limited level of assurance that the selection of Nutrition & Health Indicators, are presented, in all material respects, in accordance with the above mentioned User guides.

Our work involved the expertise of five people between September 2015 and June 2016 for a total duration of around seven weeks. We called upon our specialists in Corporate Social Responsibility to assist in carrying out our work.

We performed the procedures below in accordance with professional auditing standards and with International Standard ISAE 3000 ⁽¹⁾.

NATURE AND SCOPE OF OUR WORK

We conducted several interviews with the people responsible of the Nutrition & Health reporting in the Nutrition Governance & Policy Direction of Danone Research in charge of collecting the Indicators, in order to:

- assess the suitability of the Nutrition & Health User guides with regard to their relevance, reliability, neutrality, understandability and completeness;
- verify that a data-collection, compilation, processing and control procedure has been implemented to ensure the completeness and consistency of the Indicators and review the internal control and risk management procedures used to prepare the Indicators.

At parent entity level, we performed analytical procedures on the Indicators and verified, using sampling techniques, the calculation and the consolidation of the Indicators.

At the entity level for a representative sample of entities selected ⁽²⁾ on the basis of their activity, their contribution to the consolidated Indicators, their location and risk analysis, we conducted interviews to verify that the procedures were followed correctly and we performed tests of details, using sampling techniques, in order to verify the calculation made and reconcile the Indicators with the supporting documents. The selected sample represents 20% of the annual turnover of the scope covered.

We believe that the sampling methods and sample sizes used, based on our professional judgement, were sufficient to enable us to provide limited assurance; a higher level of assurance would have required us to carry out more extensive work. Due to the use of sampling techniques and other limitations intrinsic to the operation of information and internal control systems, we cannot completely rule out the possibility that a material irregularity has not been detected.

CONCLUSION

Based on the work performed, no material misstatement has come to our attention that causes us to believe that the selection of Danone Nutrition & Health Indicators selected by Danone Group and identified by the symbol  in the Group's 2015 Nutrition & Health leaflet, are not presented fairly in accordance with the above-mentioned User guides.

Paris La Défense, 2nd June 2016

KPMG S.A.

Philippe Arnaud
Partner
Climate Change
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⁽¹⁾ ISAE 3000 – Assurance engagements other than audits or reviews of historical information

⁽²⁾ Group of Companies Danone Produits Frais France, Dannon USA, Waters Spain Fontvella, Danone Waters UK, Nutricia USA, Mellin Italy, Nutricia Polska.

This is a free translation into English of the original report issued in French and is provided solely for the convenience of English-speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.



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Global Nutrition Governance & Policy

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