



Food, Nutrition & Health Charter



It is our conviction at DANONE that food and nutrition are key to building and sustaining health and well-being for all – from birth through old age. We act on that conviction by seeking to bring health through food to as many people as possible. Nutrition and health for all is the vision on which we have built our history and brands and is the overriding focus of our four businesses – Fresh Dairy Products, Waters, Baby Nutrition, and Medical Nutrition.

As global concern grows over under-nutrition and diet-related diseases such as obesity, we are further intensifying our commitment to better understanding of consumer needs. To meet those needs, we continuously adapt the nutritional quality of our products and develop relevant, scientifically demonstrated health benefits. At the same time we are increasing investment in research to anticipate the health and nutrition challenges of the future. And because we believe that DANONE, as a major food company, has a critical role to play, we act extensively to support public health strategies, to inform health care professionals, to participate in consumer education, and to promote disease prevention and management through better nutrition, healthy diet and physical activity. It is our duty and responsibility.

This charter sets out the ways in which we seek to practice what we preach. It is designed to guide, shape and motivate the daily action of DANONE employees around the world. ●●

Franck Riboud
Chairman and CEO DANONE





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Bringing health through food to as many people as possible

Nutrition and health for all the vision behind our story and our products

Nutrition and health have been at the heart of every chapter in the story of DANONE since its beginnings.

In 1789 the Marquis de Lessert discovered the benefits of *Evian* natural mineral water. In 1896 a fresh dairy product company in the Netherlands began producing infant formulae from cow's milk to provide "optimal nutrition for children and the diseased". Today that company is Nutricia. In 1919 Isaac Carasso sold the first DANONE yogurts out of pharmacies in Barcelona for children suffering from digestive disorders. He made them with bacterial strains from the Institut Pasteur, inspired by the research of Nobel Medicine laureate Elie Metchnikoff.

Today, in the early 21st century, we are writing the newest chapter in that story as we actively continue our efforts to build a product portfolio with one vision – nutrition solutions for all and targeted health benefits. Our strategy: improve and innovate to offer a choice of products for daily consumption which meet consumer needs and answer local public health concerns by providing the right nutritional content and delivering relevant health benefits.



Our Fresh Dairy Products, enjoyed worldwide, include *Actimel* which beneficially affects gut barriers and the immune system, *Activia* which benefits digestive well-being, *Danonino* which promotes growth and healthy bones in children, and *Danacol* which can help reduce excess cholesterol.



Our Bottled Waters are a healthy, natural way to hydrate and replenish the body. Drinking enough water is a vital physiological requirement. Originated from protected springs, our naturally pure waters deliver that life-sustaining benefit, ensuring healthy bodily functions and preventing disorders.



Our Baby Nutrition Products meet the nutritional needs of pregnant woman and babies. They include milk for expectant mothers, formulae for babies with specific medical needs (e.g. preterms, babies born underweight, or with phenylketonuria), and iron-fortified Growing-Up Milks. We also offer a wide, carefully designed range of complementary foods, from savoury dishes to cereals and fruit-based desserts.



Our Medical Nutrition Products are sold in pharmacies and to hospitals and health care centres to give the sick, the malnourished, and the elderly the nutrients they need. Our ambition is to provide health care professionals with products for nutritional interventions that improve clinical outcomes as part of integrated disease treatment. Products include as an example *Fortimel* for the malnourished, *Forticare* for cancer patients, and *Neocate* for children allergic to cow's milk.

DANONE's mission of bringing health through food to as many people as possible is built on four unshakeable convictions

All are entitled to the right food at all stages of life

Everyone should have access to healthy food and the diet relevant to their needs – regardless of gender, age, income, or medical status. Food and nutrition are vital at every stage of life: from pregnancy (for the mother-to-be and the baby in her womb) to infancy (when breast-feeding provides unique benefits and early nutrition contributes to determining health in later life); from childhood to adolescence; and throughout adulthood to old age (when under-nutrition is a health risk). And receiving the right nutrition is, of course, essential at times of disease to provide the best possible conditions for recovery.

It is our duty to build and promote people's health capital

Health is an invaluable asset and food is widely recognized as key in building and maintaining health capital. Only a diverse and balanced food intake enables us to flourish and stay strong. It also helps prevent many diseases and even improve the efficacy of various forms of disease treatment. As a food company, we believe that we have a critical role to play in addressing issues of public health and nutrition through our broad product portfolio. We also believe that our communication and services should help educate consumers about the importance of healthy diets and physical exercise



and inform health care professionals as to the importance of proper nutrition at all ages.

Variety, balance, and nutrition are inseparable from taste and pleasure

When it comes to food and drink, taste is the primary, universal driver of consumer choice and daily consumption. If food is to do good, it must first taste good. What's more, food is not necessarily good or bad *per se*. What matters is variety and balance. This is the key to healthy diets that fully meet nutritional needs and are a source of pleasure, reflecting different tastes and customs across different cultures.

We should address all issues raised by the production and consumption of our products

We believe our products should be made and marketed to further the well-being of whole communities regardless of income, economic development and cultural practices. We believe that our methods across the supply chain – sourcing, production, and distribution – must be socially beneficial and environmentally sustainable. We believe that safety, nutrition and food-related health issues must underpin all our products and the way they are designed. We believe we have a responsibility to the communities where we do business.

Our nutrition and health governance empowers our mission with a formal structure that puts it to work



Because health and nutrition are integral to our vision, we make them integral to our corporate governance. Accordingly, we have built formal, demanding governance structures to deliver a health and nutrition strategy that lives up to our vision. These structures integrate Principles, Mechanisms, Commitments and Monitoring practices that empower us to practice what we preach, nurturing our ethic of social involvement and responsibility.

Principles

1. A rigorously scientific, **evidence-based approach**,
2. **Self-regulation** to standards that are more demanding than official regulatory requirements,
3. Meaningful national, regional and international **consultation initiatives** with numerous stakeholders.

Mechanisms

The health and nutrition components of our corporate governance are driven by our Global Health & Nutrition Committee. Chaired by an Executive Committee member, it is made up of the heads of key functions operating in nutrition and health,

such as R&D, regulatory affairs, health and medical affairs, quality, and public relations. The committee meets every 2-3 months to review emerging issues, evaluate potential impacts and take appropriate positions and commitments. It also devises concrete action plans, guidelines, frameworks and tool kits, and monitors their roll-out in the business units.

Commitments

The safety and high quality of foods – from design to the end-consumer – are our fundamental duties. Looking beyond them, the Committee has

defined five core health and nutrition commitments as proactive responses to diet-related public health concerns:

1. Propose nutrition solutions continuously tailored to local nutritional needs and recommendations, tastes and incomes,
2. Develop products with relevant, scientifically proven health benefits,
3. Inform consumers clearly, factually and advertise responsibly,
4. Promote healthy diets and lifestyles,
5. Address major health- and nutrition-related societal challenges.

Monitoring

Our business units regularly monitor their implementation of our Food, Nutrition & Health Charter and related commitments. Their self-assessment is supervised by our Labour Relations & Social Responsibility Department and by independent auditors. They certify that our responsibility to social, economic and environmental well-being remains at the core of our commitment to health and nutrition.

1. Propose nutrition solutions continuously tailored to nutritional needs & recommendations, tastes, and incomes



Nutrition, our daily driver

■ We are committed to developing products that meet consumers' nutritional needs. Underpinning this commitment are our comprehensive nutritional frameworks and mapping tools. They enable us to formulate and reformulate products that match evolving nutrition knowledge, recommendations and needs.

As part of our continuing effort to ensure and strengthen the nutritional relevance of our products we have created dedicated tools. Our *Danone Nutritional Guidelines* set maximum and minimum levels of ingredients and/or nutrients for all our food products to ensure their relevance with their food category. Our *Brand Nutritional Guidelines* define the especially demanding standards of our major brands, including deserts. Our *Framework, Standards and Guidelines* incorporate international requirements like those of the WHO⁽¹⁾, the FAO⁽²⁾ and Eurodiet, as well as DANONE's more demanding requirements. As an example, fresh dairy products specifically designed for

(1) WHO: World Health Organisation
(2) FAO: Food & Agriculture Organisation

children contain no less than 120mg of calcium per 100g and thus supply a significant part of their daily needs. Growing-up milks designed specifically to meet the needs of children between 1 and 3 have lower protein levels (2.0-2.5g/100kcal) than cow's milk (3.5g/100kcal) and iron content that is 25 times higher.

To track and understand local nutritional needs, we constantly review the latest scientific data and consult reputed experts. The result? Our *Nutripacks* – mappings of nutritional and diet-related public health issues in individual countries. When no recent or reliable data is available, we conduct epidemiological studies in collaboration with reputed local scientific organisations to assess local dietary and nutritional intakes and related health issues. As an example, in Brazil we collaborated with 11 local universities and experts in a nationwide epidemiological study to evaluate the dietary intakes and identify the nutritional deficiencies of some 3,000 children between 3 and 6 years of age.

We run a continuous nutrition enhancement program through our *NutriProgress* tool. It shows at a glance the nutritional quality of our products and those of our competitors against targets established from nutrition-related public health concerns. With *NutriProgress* we can

(re)formulate products to match the evolving nutrition issues and markets of individual countries. One example is *Danonino*, a dairy product designed specifically for toddlers and children, sold in 37 different countries. In the last 20 years we have progressively reduced its fat and sugar content, while enriching it with nutrients that meet the specific needs of local children. In Brazil, for instance, plagued by obesity and under-nutrition, the *Danonino* product is now fortified with calcium, iron, zinc, and vitamin E and D to address nutritional deficiencies identified throughout our epidemiological study.

Taste, a critical driver

■ We are committed to designing and formulating products that are tailored to local consumers' flavour, taste and texture preferences.

Danone Research draws on powerful expertise to analyse consumer expectations, tastes and preferences. It has designed, for example, an innovative method of objective sensory analysis and subjective consumer evaluation. This method yields valuable understanding of how, in different countries, different product characteristics meet the preferences



of different consumers, including those with special needs like infants, toddlers and frail adults. As a part of our ongoing commitment to products that meet consumer preference, we have introduced a monitoring programme called *BEST* that provides frequent consumer evaluations of our products. We combine these evaluations with nutritional facts and sensory descriptions to drive recipe improvement. Our goal? To give consumers products which not only taste good, but whose superior nutritional profiles do them good.

Taste matters where children are concerned, too. An educated palate is more likely to make the right nutritional choices. Accordingly, we strive to offer young consumers products whose taste, flavour and texture help develop their discernment.

For example, our prepared meals for

babies contain a maximum of 150 mg sodium/100g (i.e. 25% less than the regulatory maximum), while those for infants under 6 months do not contain added salt, so that our products do not develop the taste of infants for salt.

Affordability, a societal driver

■ We are committed to continuously bringing our products to more and more people, by making them affordable to low- and very low-income groups – while never stinting on nutritional value, quality, safety or taste.

We believe that all are entitled to health through food. Low income must not preclude nutrition. We work daily to make our products affordable

to more and more people across the planet. In Indonesia we are working to market our probiotic product *Activia* at between 20 and 28 euro cents per portion. In Bangladesh, where many live on less than €1 a day, we market *Shoktidoi*, a children's yogurt selling for around 6 euro cents per serving.

2. Develop products with relevant, scientifically proven health benefits



Striving to address specific health issues

■ We constantly track and research local health issues to design products that are relevant to needs.

Our *Nutripack* local mapping tools, continuous exchange with key scientists all over the world, and involvement in epidemiological studies are just some of the ways in which we closely track evolving health challenges in the countries where we operate. We partner with the *World Gastroenterology Organisation* in a number of projects related to digestive health problems to better evaluate their incidence and improve understanding of the special role nutrition plays in preventing digestive disorders. One project focused on irritable bowel syndrome (IBS) to raise practitioners' awareness, facilitate diagnosis and evaluate incidence more accurately. Some examples of our action include IBS questionnaires for health care professionals and consumers, an observational study of 15,000 subjects in 12 countries, digestive disorder maps, nutritional guidelines. In the field of infant nutrition, a dedicated research team has, for the last 30 years, worked to improve understanding of breast milk composition and its health benefits.

Striving to clinically prove health benefits

■ We continuously carry out research to substantiate our products' health benefits with rigorous scientific evidence, drawing on our unique R&D expertise and extensive collaboration with internationally reputed scientists and scientific institutions.

In any one year Danone Research has more than 120 clinical trials ongoing – of which 50 are newly launched – in collaboration with scientific research teams all over the world. Led by accredited external clinical research organisations, they involve hundreds of health care facilities and hospitals and fully comply with international quality standards such as ICH ⁽¹⁾ good clinical practice guidelines, and with applicable local legislation. Their findings are widely reported in international peer-reviewed scientific journals. Flagship dairy product *Actimel* has undergone 28 studies since its launch in 1994. Leading to 26 publications, they have helped demonstrate its beneficial effects on gut barriers and the immune system. Aptamil infant formula boasts a unique, patented mix of prebiotics (*ImmunoFortis*®) designed to help strengthen babies' developing immune systems. Its efficacy has been attested by 22 trials on human subjects, including

(1) ICH: International Conference on Harmonisation of Technical Requirements for Registration of Pharmaceuticals for Human Use.



17 interventional randomised control trials in compliance with ISO 9001: 2008 standards. *Neocate* is a non-allergenic, amino-acid substitute for milk-based formulae. It is designed for babies who are allergic to cow's milk. Over 45 clinical trials have demonstrated that *Neocate* helps relieve and improve all symptoms – from eczema to stomach pains, diarrhoea, and asthma – within 3 to 14 days. Our Medical Nutrition clinical research and development teams work closely with some 75 academic institutions, hospitals and nursing homes. They also carry out extensive, international

multi-centre studies that involve up to 40 sites. One example is the S-Connect trial of Souvenaid for Alzheimer's disease. In addition to clinical studies into products, we partner with institutional research programs in different fields. In probiotics, we partner with the Institut Pasteur in Paris and University of Ontario in Canada, among others. In the area of intestinal flora we collaborate with Washington University in St. Louis (USA), the Japanese company Yakult Honsha, and are involved in the research program MetaHit, lead-managed by the National Research Institute of Agronomy (INRA) in France. In infant nutrition, we are also partners in the EU Childhood Obesity and EARNEST Programs into links between early infant nutrition and health in later life.

Nutritional profiles that match health benefits

■ We take special care to make sure our products' nutritional profiles are consistent with their health claims.

Health is our primary concern. It is critical, therefore, that our products' health benefits and claims be fully supported by the right nutritional profiles. To that end we use a dedicated tool – our *Brand Nutritional Platforms*. They are our worldwide brands' "ID cards", which comprehensively describe the nutritional content and other properties required to make health claims. One example: products from the *Danacol* range, intended to help reduce excess cholesterol, must not contain more than 1.5g fat and 2.5g of added sugar per 100g, or any saturated fat or cholesterol.

Constantly share our scientific knowledge

■ We are in constant dialogue with the scientific and medical communities. In this way we foster scientific debate and improve our understanding of public health challenges.

In countries worldwide we have established scientific advisory boards whose members are lead-

ing experts focused on specific topics such as infant and child nutrition, medical nutrition for disease management, probiotics, hydration, digestive functions, etc. They sharpen our awareness of the latest scientific advances and related nutrition and health issues, while challenging our scientific strategy, design of clinical trials or product approach. We also communicate regularly with the scientific community through multiple tools (prints, websites, conferences, e-learning), systematically sharing with them the latest scientific evidence for the specific benefits of our products. In the field of paediatrics we are partners in major scientific conferences, where we present our most recent findings. Every year we also organize an *International Paediatric Symposium* and a *Paediatric Experts' Day* that bring together leading scientists and practitioners. Our *International Probiotic Convention* regularly brings together international experts to review the latest scientific advances, with proceedings published in peer-reviewed international journals.



Danone Research, cornerstone of our nutrition & health governance

A 1160-strong worldwide R&D community with 600 scientists and 450 developers specialised in fields like nutrition, epidemiology, biology, microbiology, physiology, gastroenterology, paediatrics, immunology, neurology, oncology, food safety, and consumer science. Researchers and developers all work to innovate and support DANONE brands with scientifically proven evidence, drawing on resources like the collection of 4,000 lactic and plant cultures. Their expertise encompasses digestion and digestive well-being, immunity, growth and bone health, cardio-vascular health, metabolism and satiety, hydration and neurology. There are two major international R&D sites – Palaiseau in France specialised in Dairy Products and Waters, Wageningen in the Netherlands dedicated to Baby Nutrition and Medical Nutrition – and a host of local R&D centres. Danone Research centres have 200 scientific partnerships worldwide. In 2008 they published 71 scientific publications and filed 39 patents. Their focus: identify and analyse nutrition and health issues, design methodologies, define governance tools, assess and formulate nutritional profiles, design products and clinical studies on product health benefits.



3. Inform consumers clearly and factually and advertise responsibly



Transparent, comprehensive nutrition labelling

■ We deliver the nutritional facts that empower consumers and practitioners to make informed dietary choices.

All our products provide detailed nutrition information, even when there is no legal requirement to do so. For dairy products and beverages, we have taken the initiative of drawing up our own *Nutrition Information Charter* applicable in countries where there is no mandatory regulatory scheme. This charter, setting stringent labelling standards, is part of our commitment to factual, easily understandable nutritional labelling under a voluntary scheme launched by the European Confederation of Food Companies

(CIAA). Front labels show calories per portion and as percentages of a Guideline Daily Amount (GDA). On the back panel a table shows per portion and as percentages of GDAs: calories, proteins, carbohydrates of which sugars, lipids of which saturates, fibre and sodium.

We require our business units to provide consumers with ready access to off-pack information – at least a postal address or website with nutritional information of products provided in that country.

Facilitate consumer understanding

■ We place a special emphasis on practical, user-friendly information to help consumers build healthy diets for themselves and their families.

Because diet is a critical public health issue we provide consumers with information programmes and education tools. The materials, which range from



Life initiative, for example, uses label icons to help mothers of infants and toddlers recognise the product that is right for their baby and, ultimately, to gain understanding of his or her evolving needs.

Product claims in reliable, consumer-friendly language

■ We ensure that our information on product benefits is reliable and speaks a language consumers understand. To that end we have designed a set of tools.

Our *Communication Guidelines* help marketing teams and advertising agencies translate scientific product benefits into consumers' language using pictorial, graphic or symbolic representations.

Our *Consumer Understanding Test (CUT)* ensures that our claims and related communication are consumer-friendly, i.e. clear, easy to understand and designed to ensure that consumer understanding of a product's benefits is consistent with scientific evidences. We have a strict cross-company procedure for validating nutritional and health claims to ensure that they are truthful and are not misleading to consumers. This procedure brings together departments like Marketing, R&D, Quality, Legal, and Regulatory Affairs. We make no nutrition or health claims for pure-pleasure "indulgence" products.

Responsible advertising and communication

■ We are fully committed to responsible advertising in compliance with the *International Chamber of Commerce Code of Advertising Practice and national and regional standards*. We have also taken voluntary initiatives, especially to limit our advertising to children.

Keenly aware of the prevalence of chronic diet- and lifestyle-related diseases, it is our policy and principle to avoid any type of message that could encourage over-consumption of any of our products or the pursuit of unhealthy lifestyles.

We have pledged to restrict our advertising to children under 12 years of age, to advertise only those products whose nutritional profiles are specifically adapted to children, and not to advertise our products in pre-schools or elementary schools. We have put our pledge into full effect across the EU – where external auditors monitor our compliance – in the US and Brazil. We are working to expand the practice to other countries. We require all our business units engaged in educational initiatives in schools to comply with stringent voluntary codes of practice in countries where there are no official guidelines or requirements for schools.

In Infant Nutrition, DANONE recognizes the importance of the WHO code of marketing of breastmilk substitutes as the international reference. We agree on the need to provide added support for breast-feeding and ensure that young infants and toddlers have access to varied, complementary food for a quality diet.

4. Promote healthy diets and lifestyles



Engage with consumers on healthy lifestyles

At DANONE we engage with consumers and local communities on nutrition, balanced diets, physical exercise, and healthy lifestyles.

Because nutrition is truly effective only as part of a comprehensively healthy lifestyle, we devote significant resources to education and events that advocate healthy diets and exercise. Every year we hold the *Danone Nations Cup*, an international football (soccer) tournament for 10- to 12-year olds. Since it first kicked off in 2000, more than 10 million children from 40 countries have taken part. In the US, Dannon's *Next Generation Nutrition Grants* fund local not-for-profit organisations working to improve children's eating habits as part of the fight against obesity.

To promote breastfeeding, the best nutrition solution for babies, we support specific programmes run by health care professionals and NGOs ⁽¹⁾ in a number of countries.

The Danone Institutes network, fully supported by DANONE, continuously runs many educational programmes on diet and physical exercise for children, parents, pregnant women, the elderly and even athletes. Since they were created, Danone Institutes have reached millions of people through many initiatives that make comprehensive use of print, radio, TV, computer- and web- based media, as well as contests, awards, events, etc. One of the most successful initiatives is *Celebrate Healthy Eating* (www.celebratehealthyeating.org), a web-based programme for parents of pre-school children developed by the Dannon Institute in the US.

Engage with employees on healthy lifestyles

We promote the value of healthy diets and adequate exercise among our employees.

(1) NGO: Non-governmental organisation



In workplaces worldwide we run wellness programmes for our employees. In the UK, for example, our *Active Health Kit* includes a pedometer, a health passport and practical, factual advice on nutrition and physical exercise.

The Daniel Carasso Research Centre located in Palaiseau (France) has developed a program focused on the web-based *Danone Nutrition Partner* nutrition coaching tool. It provides employees with personalized, science-based diet and exercise plans



and advice. It has also built a sports centre to provide employees with local facilities where they can practice physical exercise. DANONE headquarters in Paris has deployed a comprehensive program with the active involvement of employees. It comprises, among other things, lectures and workshops, physical activity courses, walks to aid digestion, and campaigns of disease prevention and screening. We are currently rolling out best

practices in wellness programmes at work place globally. What's more, we are putting in place breast-feeding facilities in our workplaces. Every two years the *Danoners World Cup* brings together employees from all our subsidiaries in a football (soccer) tournament. Many subsidiaries (e.g. UK, Spain, Argentina, France) have won national plaudits and awards as the healthiest workplaces.



Danone Institutes, cornerstone of our commitment to dietary education and healthy lifestyles.

Since 1991, DANONE has funded the Danone Institutes, a worldwide network of not-for-profit independent organisations whose mission is to advance the understanding of links between food, nutrition and health. The network, which operates in 19 different countries, has three main areas of focus:

- Advance scientific knowledge through support for research,
- Share knowledge through scientific conferences, publications, and professional training programmes,
- Educate the general public through programmes tailored to integrate local cultures and issues.

The scientific quality of programmes is the responsibility of a multidisciplinary council that brings together the most highly respected and reputed local experts in medicine, nutrition and human sciences.

www.danoneinstitute.org



5. Address major health- and nutrition-related societal challenges



Dialogue for solutions

It is our duty to join forces with other major players to strengthen public health and nutrition practices.

We dialogue with national and regional authorities on regulatory issues to protect consumers. One example: our active support for EU legislation on Health and Nutrition Claims for food products. And we are sharing ideas with the EU on tests to improve consumer understanding of health claims and on methods to develop relevant nutrition profiling systems. Similarly, challenges like nutrition information, labelling, and responsible advertising can be effectively met only by concerted action. We work closely with our competitors and inter-professional organisations (CIAA, GMA, EUFIC, IFIC, ILSI, etc.).⁽¹⁾ In Infant Nutrition we are making strong, concrete efforts to put into practice the WHO code of marketing of breastmilk substitutes, while dialoging with stakeholders (health professionals, public authorities, inter-professional institutions, and NGOs) to find common ways of interpreting and applying the code.

⁽¹⁾ CIAA: Confédération des Industries Agro-Alimentaires; GMA: Grocery Manufacturer Association; EUFIC: European Food Information Council; IFIC: International Food Information Council; ILSI: International Life Sciences Institute

Stimulate professional interest in health and nutrition issues, exchange knowledge, support solutions

The scientific and health care communities are crucial partners in our mission. We support their work, promote sharing of knowledge, and stimulate their interest and research in nutrition and food-related health issues.

Our Medical Nutrition division provides health care professionals with nutrition solutions to prevent physical and mental retardation, whereas other products help lower health care costs by shortening hospital stays, reducing the need for drug-based medical care, cutting the cost of caring for patients at risk from disease-related malnutrition, and prolonging patient independence. One example is *Respifor*, a product tailored to the special nutritional needs of patients with chronic lung diseases, particularly emphysema. *Respifor* promotes higher weight gains and improved physical performance in one group of patients with oxygen intake difficulties and high energy needs. Importantly, *Respifor* improves patients' quality of life. The Danone Institutes support research into diet and nutrition through grants, fellowships, and awards for local achievements to the annual tune of some €1 million. Every two years they award the *Danone International Prize for Nutrition* for innovative concepts in understanding nutrition. Every year the institutes hold numerous scientific conferences where leading scientists present the state of the art in emerging nutrition topics



and stimulate debate. Such gatherings are just one of the many ways in which the institutes promote the sharing of knowledge within the scientific and health care communities. For health and education professionals the Danone Institutes stage training courses and both design and supply hands-on education and information packages on diet, food, and nutrition.

Social innovation for sustainable development

DANONE has a historic dual commitment to profitable business and social progress. To sustain that commitment in poor countries, we not only make our products affordable, we implement innovative sustainable business models that build both the economic and social fabric of local communities.



Because underdevelopment and poverty aggravate malnutrition, we seek to improve nutrition by improving economic development. In Bangladesh we have created a joint venture with the Grameen microcredit bank (founded

by Nobel Peace laureate Muhammad Yunus) to help local entrepreneurs start and sustain businesses. The result? The low-cost *Shoktidoi* yogurt we market in Bangladesh is made in a local plant from milk produced by local farmers and sold by a network of educated Grameen ladies. We are thus helping to create jobs and build a sustainable industry. We have extended the model to Cambodia and Senegal, where we have invested in two socially innovative companies. In Cambodia, *1 001 Fontains* is a company that uses pioneering solar technology to purify springwater and prevent waterborne diseases. Bottles of the cleansed water are sold at 1 euro cent each. In Senegal, *Laiterie du Berger* (Shepherd's Dairy) is a dairy plant that processes milk produced by local shepherds and sold affordably in the country.

Action to alleviate malnutrition in poorer communities is our choice and part of our responsibility. We work closely with international NGOs like World Vision UK, Action Contre la Faim, and the Global Alliance for Improved Nutrition (GAIN). We urge all our business units and employees to take part in social innovation initiatives. Every year we organize a company-wide *Social Innovation Lab* to stimulate involvement and ideas. Under our *Danone Supporting Life* program, our companies and subsidiaries devise and develop projects known as "triple wins" – i.e. projects that benefit communities, improve business, and strengthen social commitment across DANONE.

Care for the environment core to our commitment to health

There can be no health or well-being without a healthy environment. Safeguarding and leveraging the environment are – naturally and necessarily – integral to our commitment to health and nutrition.

Farming accounts for the largest share of our carbon footprint. In France, Spain and in US we are running a project to encourage farmers to use flax in their cattle feed. Flax reduces cattle's methane emissions, as well as improving the fat quality of milk and making it richer in omega 3 fatty acids. *Activia* in some countries has changed its formulation to include Arabic gum, which helps sustain the level of active *Bifidus* – the culture which has a beneficial effect on digestive well-being. Arabic gum is harvested in the Sahel, thus helping to sustain the region's biodiversity. Our Waters business line seeks to protect our water sources for future generations. It collaborates with local communities to protect the catchment areas from harmful agricultural or building practices. It uses hydro-geological knowledge of the source's flow rates to ensure sustainable extraction levels. *Evian* works closely with the Ramsar Convention on Wetlands and in-the-field non-profit organisations through its Water Protection Institute to help local populations manage their water resources sustainably. In 2007, it launched a program, *Schools for the Protection of Waters*, in partnership with Ramsar.

A number of CSR (Corporate Social Responsibility) analysts rank DANONE top of the largest food companies on the issue of addressing obesity and related health concerns.



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