



Press Release – Cuijk, the Netherlands, March 25, 2019

## **Danone opens new sustainable Nutricia plant in the Netherlands to meet growing, global demand for specialized infant formula**

- **€240 million facility in Cuijk is among Danone's largest investments in its European production network in the last ten years, building on the Netherlands' agricultural heritage and Nutricia's scientific capabilities**
- **Plant will produce highly specialized infant formula – including formula for specific health conditions, and will employ close to 500 employees once fully operational**
- **State-of-the-art, sustainable, zero-waste facility powered with 100% renewable electricity**

Today, Danone proudly announces the official opening of its new *Nutricia Cuijk* production facility. The opening ceremony, taking place in the presence of a broad range of stakeholders, including the Minister of Agriculture, Nature and Food Quality, Carola Schouten, as well as industry and healthcare representatives, marks the completion of a three-year journey to build a state-of-the-art, energy-efficient, zero-waste plant. The facility will primarily produce specialized infant formula that meets the needs of infants diagnosed with specific medical conditions – such as cow's milk protein allergy, as well as standard infant formula. The €240 million investment is among Danone's largest in its European production network in the last ten years.

*"At Danone, we believe the health of people and the planet are interconnected, as expressed through our company vision 'One Planet. One Health'. Our new Nutricia Cuijk facility is a significant investment towards achieving that vision. At this facility, we'll be producing food for vulnerable babies; and we're also doing everything we can to preserve a healthy and clean environment for future generations,"* said Veronique Penchienati-Bosetta, Executive Vice President, Danone Specialized Nutrition.

### **Nutricia Cuijk to meet rising demand for specialized infant formula for babies with specific health needs**

The new *Nutricia Cuijk* plant has been built to spec to further support the expansion of Danone's range of specialized infant formula products specially tailored for babies with specific health needs. The global prevalence of allergy, for example, is steadily rising, and approximately 2-5% of infants develop cow's milk protein allergy within the first year of life.<sup>1</sup> The *Nutricia Cuijk* plant employs a specific manufacturing process<sup>2</sup> to produce foods for special medical purposes containing extensively hydrolyzed protein to meet the specific nutritional needs of infants diagnosed with this type of allergy.

## **New plant doubles production capacity, while cutting water and energy consumption as well as CO<sub>2</sub> emissions.**

The new *Nutricia Cuijk* facility will replace an older, existing plant in Cuijk, which the company will gradually phase out. The newly-built *Nutricia Cuijk* facility uses advanced environmental technologies coupled with efficiently-designed manufacturing processes to ensure water and energy consumption as well as CO<sub>2</sub> emissions are kept to a minimum. Once at full capacity, the new facility will have double the production capacity of the legacy plant. Despite this, the new plant will use 60% less water, 25% less energy and emit 50% less CO<sub>2</sub> than the legacy plant. To further minimize the new facility's carbon footprint, *Nutricia Cuijk* is powered by 100% renewable electricity.

Danone also targets reducing its full scope carbon emissions. Therefore, *Nutricia Cuijk* sources dairy ingredients exclusively from western Europe – the world's region with the lowest dairy farming CO<sub>2</sub> emission rates.<sup>3</sup> Of these ingredients, a significant majority are sourced locally, from the Netherlands and neighboring Germany. *Nutricia Cuijk* also embraces the principles of the circular economy – 100% of the facility's waste is recovered, including all packaging waste.

*"Producing such highly specialized infant formula, our new facility builds on the scientific heritage of Nutricia, coupled with the latest green technologies. Today's opening ceremony marks the next chapter for Nutricia Cuijk – here in the Netherlands, and as part of the Danone family,"* Ms. Penchienati -Bosetta added.

### **A major investment for Danone in the Netherlands and North-Brabant**

Danone's €240 million investment in *Nutricia Cuijk*, announced in 2015, represents the largest international capital investment in a greenfield location in the Dutch province of North-Brabant in over a decade. With the new facility based in the Netherlands, Danone aims to build on the scientific capabilities of *Nutricia* and expects to benefit from the Netherlands's strong agricultural heritage, expertise in nutritional research and excellent local supply chains. Attending today's opening ceremony, Carola Schouten, Deputy Prime Minister of the Netherlands and Minister of Agriculture, Nature and Food Quality, said, "Danone's *Nutricia Cuijk* facility is not only a monument to innovation and sustainable production, but also a recognition of the Netherlands as a dairy country. With the opening of this factory, Danone again contributes to the Dutch Topsector know-how and our expertise in specialized nutrition."

Once fully operational, the new *Nutricia Cuijk* facility will employ close to 500 staff and will – through indirect employment – support up to an additional 2,000 jobs. With the support of on-the-job training, the entire local workforce will transfer from the legacy plant in Cuijk to the newly-opened facility. At full capacity, *Nutricia Cuijk* will produce more than 600 different products – including the well-known *Aptamil* and *Nutrilon* brands – for customers in over 90 countries, feeding more than three-and-a-half million babies daily.

Footnotes -

1. Renz et al., *Nature*, 2018.
2. The *Nutricia Cuijk* plant employs a specific manufacturing process called hydrolyzation. In this process, cow's milk proteins are broken down – or 'snipped' – into smaller protein fragments. As a result, the immune system of a baby with cow's milk protein allergy is less likely to trigger an allergic reaction.
3. FAO report "Greenhouse gas emissions from ruminant supply chains - A Global Life Cycle Assessment" 2013

Dedicated to bringing health through food to as many people as possible, Danone is a leading global food & beverage company building on health-focused and fast-growing categories in three businesses: Essential Dairy & Plant-Based Products, Waters and Specialized Nutrition. Danone aims to inspire healthier and more sustainable eating and drinking practices, in line with its 'One Planet. One Health' vision which reflects a strong belief that the health of people and that of the planet are interconnected. To bring this vision to life and create superior, sustainable, profitable value for all its stakeholders, Danone has defined its 2030 Goals: a set of nine integrated goals aligned with the Sustainable Development Goals (SDGs) of the United Nations. Danone commits to operating in an efficient, responsible and inclusive manner; it holds itself to the highest standards in doing business, as reflected by its ambition to become one of the first multinationals certified as B Corp™. With more than 100,000 employees, and products sold in over 120 markets, Danone generated €24.7 billion in sales in 2018. Danone's portfolio includes leading international brands (*Actimel*, *Activia*, *Alpro*, *Aptamil*, *Danette*, *Danio*, *Danonino*, *evian*, *Nutricia*, *Nutrilon*, *Volvic*, among others) as well as strong local and regional brands (including *AQUA*, *Blédina*, *Bonafont*, *Cow & Gate*, *Horizon*, *Mizone*, *Oikos*, *Prostokvashino*, *Silk*, *Vega*).

Listed on Euronext Paris and on the OTCQX market via an ADR (American Depositary Receipt) program, Danone is a component stock of leading social responsibility indexes including the Dow Jones Sustainability Indexes, Vigeo Eiris, the Ethibel Sustainability Index, MSCI Global Sustainability, MSCI Global SRI Indexes and the FTSE4Good Index.

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