



DANONE
ONE PLANET. ONE HEALTH

DANONE'S CONTRIBUTION TO UN'S SUSTAINABLE DEVELOPMENT GOALS

2019 PERFORMANCE



DANONE'S CONTRIBUTION TO THE UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

In 2018, we have defined Danone 2030 Goals aligned with the 2030 United Nations Sustainable Development Goals (SDGs), thus adopting a language that is universally understood. While defining our 2030 Goals, we worked on prioritizing our contribution to the SDGs according to the direct and indirect impact that we have on the issues they raise, and we selected the relevant SDGs targets.



Level of Danone's engagement:
 Major focus
 Commitments

We are fully committed to the selected SDGs and our contribution is structured as shown on the image hereinafter:

MAJOR FOCUS SDGs: we logically focus our efforts on the SDGs on which Danone's activities have a direct impact either because they relate to our mission, to our products or to our industry.	COMMITMENTS SDGs: we committed on these SDGs related to Danone's activities with a moderate impact based on our material sustainability topics and the major initiatives we supported in the last years.

Disclaimer
 The present document does not include the exhaustive information in regard to Danone's contribution to the UN's Sustainable Development Goals.
 To learn more, refer to <https://www.danone.com/impact/un-sustainable-development-goals.html>

PRELIMINARY INFORMATION

IN THE FOLLOWING PAGES, THESE PICTOGRAMS WILL BE REPRESENTING THE MAIN STAKEHOLDERS WE ARE CREATING SUSTAINABLE VALUE FOR:

-  **Employees:**

people working under Danone's management and employee representatives.
-  **Community:**

people benefiting directly or indirectly from an action or a project from Danone, its brands or its social innovation platforms.
-  **Business Partners:**

a company, a group of industry peers or a public or private organization with whom we carry out a joint action or with whom we have a commercial relationship (suppliers, retailers, etc.).
-  **Consumers:**

individuals targeted by Danone's products portfolio, through direct or indirect act of purchase, or beneficiaries from programs or initiatives we are supporting.
-  **Planet:**

the natural ecosystems and their resources.

TARGETS SELECTED BEHIND EACH SDG TO WHICH WE CONTRIBUTE



Danone's commitment to SDGs can only be tangible if we keenly report on them. To do so, we have selected specific SDGs targets within each SDG accordingly to their relevance to our strategy and policies, and to our ability to report on them. The selected targets are specified in the following pages.

KEY BUSINESS THEMES SELECTED BY DANONE FOR EACH SDGs



These themes have been defined by the SDG Compass in order to provide guidance for companies on how to manage and report their contribution to the SDGs.

INTERDEPENDENCY BETWEEN SDG 17 AND THE OTHER SDGs TO WHICH WE CONTRIBUTE



Danone's contribution to SDG 17 is highlighted throughout the document, through the initiatives and the actions of the Company and its brands selected to illustrate the other SDGs to which we commit.



SDG 1: NO POVERTY

End poverty in all its forms everywhere
Engagement of Danone: **Commitment**

SELECTED SDG TARGETS



KEY BUSINESS THEMES SELECTED BY DANONE FOR THE SDG 1

- Availability of products and services for those on low incomes
- Earning, wages and benefits
- Economic development in areas of high priority
- Access to quality essential health care services

2019 KEY PERFORMANCE INDICATORS

6 million

beneficiaries in total of the Danone Communities Fund.

62,331

professionally empowered people by the Danone Ecosystem Fund.

1,500,000

people positively impacted by the Livelihoods Carbon Fund compartment 1 (LCF1) since 2011.



MAIN INITIATIVES / BRANDS ACTIONS



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GRAMEEN DANONE

The Danone Communities Fund supports Grameen Danone Foods, Ltd (GDFL) in Dhaka which aims to fight poverty and malnutrition in Bangladesh and to create positive social impact throughout its value cycle.



MADRE TIERRA

"Madre Tierra" is a project with small strawberry producers in Mexico, co-built with the Danone Ecosystem Fund and other public and private players. It was developed with the objective to regenerate soils and to develop and protect natural resources and farmers' communities.



© David Hogg/Naandi Foundation

ARAKU

The Livelihoods Carbon Fund, an impact investment fund supported by private companies, and the Naandi foundation, an Indian NGO, join forces to support 40,000 women and men farmers in their transition to sustainable farming. Trees, pulses and millets, coffee, fodder, fuelwood: welcome in a collective movement where every square centimeter of 18,000 hectares of the Araku Valley will be transitioned to sustainable agricultural practices.

STAKEHOLDERS DIRECTLY IMPACTED



Community



Business partners



SDG 2: ZERO HUNGER

End hunger, achieve food security and improved nutrition and promote sustainable agriculture
Engagement of Danone: **Major Focus**

SELECTED SDG TARGETS



KEY BUSINESS THEMES SELECTED BY DANONE FOR THE SDG 2

- An end to malnutrition in all its forms
- Access adequate food and healthy diets, for all people, all year round
- An end to rural poverty: double small-scale producer incomes and productivity
- All food systems are sustainable, from production to consumption

2019 KEY PERFORMANCE INDICATORS

300,000

beneficiaries in the fight against malnutrition and poverty from social businesses supported by Danone Communities Fund.

81%

of fresh milk volume worldwide is assessed through Danone's animal welfare assessment tool or via Validus Animal Welfare certification in Essential Dairy & Plant-Based Business.

28%

of total milk collected directly by Danone comes from producers working with Danone under long-term contracts, also called Cost-Performance Model contracts.



MAIN INITIATIVES / BRANDS ACTIONS



Food and Agriculture Organization of the United Nations

FOSTER SUSTAINABLE DIETS AND FOOD SYSTEMS WORLDWIDE

Danone has signed a Memorandum of Understanding with the UN's Food and Agriculture Organization (FAO) to improve global nutrition, encourage more diverse and healthier diets, and promote responsible farming.

SUSTAINABLE PRODUCTS PORTFOLIO

Through our One Planet. One Health vision, we are convinced that the health of the people and the health of the planet are interconnected. Our strategy consists in offering a sustainable portfolio of products that contribute to a balanced diet while limiting our impact on the planet. We want to be at the heart of the ongoing food revolution and we believe that global food and retail companies can play an important role through a transformation of their business models, moving away from standardized food systems to new models based on local diets and leveraging local sourcing.



ONE PLANET BUSINESS FOR BIODIVERSITY (OP2B)

Danone co-built with the World Business Council for Sustainable Development (WBCSD) the 'One Planet Business for Biodiversity' (OP2B) business coalition which unites about 20 leading companies that aim to protect and restore cultivated and natural biodiversity.

STAKEHOLDERS DIRECTLY IMPACTED



Community



Business partners



Consumers



Planet



SDG 3: GOOD HEALTH AND WELL-BEING

Ensure healthy lives and promote well-being for all at all ages
Engagement of Danone: **Major Focus**

SELECTED SDG TARGETS



KEY BUSINESS THEMES SELECTED BY DANONE FOR THE SDG 3

- Support the delivery of health needs around the world through their products, services and business activities
- Ensure occupational health and safety practices and provision of employee benefits

2019 KEY PERFORMANCE INDICATORS

23

active education and information programs potentially reaching more than 12 M people since their launch.

90%

of volumes of products sold in 2019 were in healthy categories.

99,627

employees in more than 53 countries have healthcare coverage in line with the standards defined by Dan'Cares.



MAIN INITIATIVES / BRANDS ACTIONS



DANONE'S SPECIALIZED NUTRITION BUSINESS:
The Specialized Nutrition Business develops and sells products for individuals with specific nutritional needs across the full life span – from preterm birth until old age. The strength of its model lies in its extensive scientific and research expertise, a collaborative approach to innovation, and an in-depth understanding of specific nutritional needs, which enable the development of products and services that have a positive impact on people's health.



COLLABORATION FOR HEALTHIER LIVES:
The Collaboration for Healthier Lives working group initiated by the Consumer Goods Forum, co-chaired by Danone and Walmart, oversees the design and execution of several collaborative models to help us learn more about how retailers and manufacturers can jointly create healthier practices and encourage consumers to live healthier as well as work collaboratively with public health authorities.



ALIMENTANDO EL CAMBIO, EMPOWERING KIDS TO IMPROVE THEIR EATING AND DRINKING HABITS IN SPAIN:
The 'Alimentando el Cambio' initiative was co-created by Ashoka, the Ministry of Education, the Spanish Society for the Study of Obesity - SEEDO, and Danone. It aims to promote healthier and more sustainable eating habits for kids, enabling a future generation with the knowledge and tools necessary to improve their lives, the lives of others and the well-being of the planet.

STAKEHOLDERS DIRECTLY IMPACTED



Employees



Community



Consumers



Planet



SDG 5: GENDER EQUALITY

Achieve gender equality and empower all women and girls
Engagement of Danone: **Commitment**

SELECTED SDG TARGETS



KEY BUSINESS THEMES SELECTED BY DANONE FOR THE SDG 5

- Equal remuneration for women and men
- Women in leadership
- Diversity and equal opportunity
- Childcare services and benefits

2019 KEY PERFORMANCE INDICATORS

51%

of women among our managers, directors and executives.

18

countries have implemented Danone's Global Parental Policy.

39,007

of women professionally empowered through the Danone Ecosystem Fund in 2019.



MAIN INITIATIVES / BRANDS ACTIONS



HEFORSHE - EMMANUEL FABER - UN THEMATIC CHAMPION

Our commitment to gender equality was recognized by the United Nations in March 2017 when Emmanuel Faber was named a UN Women's HeForShe Thematic Champion on the occasion of the launch of our Global Parental Policy that marked a milestone for the Company. It reflects our pioneering work around women's empowerment, both through Danone's own Human Resources programs as well as broader initiatives that mobilize other companies to address gender equality.



BONAFONT'S SUPPORT TO WOMEN EMPOWERMENT

Bonafont, a Mexican Danone water brand, is acting to decrease prejudice against women and fight for gender equality in Mexico. The brand partners with UN Women is committing to support equal opportunities for men and women, through a three-year action plan. As part of this partnership, HeForShe special edition bottles were sold to contribute to equal opportunities and 100% of the earnings was donated to UN Women to develop a training to enable entrepreneurial women.



DANONE ECOSYSTEM FUND: 'STAND BY MUMS', SUPPORTING MOTHERHOOD IN ROMANIA

To support motherhood in Romania, Stand by Mums project, supported by the Danone Ecosystem Fund, develops a network of Perinatal Educators so as to enable young parents and pregnant women to make educated choices about nutritional and perinatal care for both their babies and themselves.

STAKEHOLDERS DIRECTLY IMPACTED



Employees



Community



Consumers



SDG 6: CLEAN WATER AND SANITATION

Ensure availability and sustainable management of water and sanitation for all
Engagement of Danone: **Major Focus**

SELECTED SDG TARGETS



KEY BUSINESS THEMES SELECTED BY DANONE FOR THE SDG 6

- Improved water efficiency through application of 5R principles: reduce, reuse, recover, recycle, replenish
- Equal, affordable, and safe access to water, sanitation, and hygiene for employees and communities
- Protection of water-related ecosystems and biodiversity

2019 KEY PERFORMANCE INDICATORS

49%

of reduction of water consumption intensity in production sites (in m³/Tons of products) (Baseline 2000).

> 5,000,000

beneficiaries with access to safe drinking water from social businesses supported by Danone Communities Fund.



MAIN INITIATIVES / BRANDS ACTIONS

#WeActForWater



WEACTFORWATER

The collective of our water brands taking major steps to tackle global water challenges and water access in the communities where we operate. It is a set of urgent actions, ambitious objectives, and new investments in regard to carbon neutrality, packaging, water access and water preservation.



AQUA - AS A MANIFESTO BRAND

In Indonesia, where a wide part of the population does not have access to safe drinking water, AQUA is working on providing access to quality water. Launched in 1973 with goodness in mind, the brand is the #1 bottled water brand in Indonesia. It was consumed by more than 160 million consumers last year. For more than 47 years, AQUA has been a progressive brand that commits to Indonesian people's well-being while preserving Indonesia's environment.



© Sandro di Carlo Darsa

WATER KIOSK MODEL - DRINKWELL

Under the Danone Communities Fund's water kiosk concept, kiosk owners sell affordable, safe drinking water to people living in their community. For instance, this Fund has supported Drinkwell, a technology-driven social enterprise in Bangladesh which model is based on low-cost, high-efficiency water kiosks connected to the main water city network through Public Private partnership, incorporating innovative filtration systems, and operated by entrepreneurs as sustainable companies.

STAKEHOLDERS DIRECTLY IMPACTED



Employees



Community



Planet



SDG 7: AFFORDABLE AND CLEAN ENERGY

Ensure access to affordable, reliable, sustainable and modern energy for all
Engagement of Danone: **Commitment**

SELECTED SDG TARGETS



KEY BUSINESS THEMES SELECTED BY DANONE FOR THE SDG 7

- Renewable energy
- Energy efficiency
- Infrastructure investments
- Environmental investments

2019 KEY PERFORMANCE INDICATORS

47%

of energy intensity reduction in production sites (2000 baseline year).

42.4%

of renewable electricity used in Danone production sites.

19.7%

of total renewable energy used in Danone production sites.



MAIN INITIATIVES / BRANDS ACTIONS

RE 100



RE100

In December 2017, Danone joined the RE100 initiative and made a commitment to transition to 100% renewable electricity by 2030, with an intermediary step of 50% by 2020. RE100 is a global and collaborative initiative that includes more than 100 influential companies committed to 100% renewable electricity.

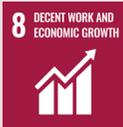
ENERGY EFFICIENCY IN OUR PRODUCTION SITES

From the ingredients we source to the processes in our manufacturing sites, we are constantly looking at ways to positively impact people's health and to help preserve the planet's resources. Danone works towards becoming entirely carbon neutral by 2050. In 2019, we opened our brand-new sustainable Nutricia Cuijk production site for specialized infant formula. With this new production site, we double our production capacity compared to the previous plant in the area, yet we significantly cut down on water and energy use, as well as CO₂ emissions.

STAKEHOLDERS DIRECTLY IMPACTED



Planet



SDG 8: DECENT WORK AND ECONOMIC GROWTH

Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all
Engagement of Danone: **Major Focus**

SELECTED SDG TARGETS



KEY BUSINESS THEMES SELECTED BY DANONE FOR THE SDG 8

- Employment
- Economic inclusion
- Non-discrimination
- Capacity building
- Availability of a skilled workforce
- Elimination of forced or compulsory labor

2019 KEY PERFORMANCE INDICATORS

62,331

of professionally empowered people by the Danone Ecosystem Fund.

10

worldwide agreements signed between Danone and the International Union of Food Workers.

1,180

farms connected to markets or supply chains of investors in Livelihoods Fund for Family Farming.



MAIN INITIATIVES / BRANDS ACTIONS



BUSINESS FOR INCLUSIVE GROWTH (B4IG)

The Business for Inclusive Growth (B4IG) initiative led by Danone with the OECD to promote inclusive growth resulted in the launch of a coalition of international companies at the G7 in Biarritz in August 2019. The members of this coalition (40 at the end of 2019) signed a pledge to demonstrate their commitment to fighting inequalities and promoting inclusive growth.



CONSUMER GOODS FORUM : ELIMINATING FORCED LABOR FROM GLOBAL SUPPLY CHAINS

Since 2016, Danone has joined the Consumer Goods Forum (CGF) initiative aimed at eliminating forced labor in global supply chains by the end of 2020. Danone pledged to adopt appropriate policies to embed the priority industry principles throughout its own operation and supply chains through concrete actions.



© Jean Christophe Laugee

CARTONEROS – ARGENTINA

To support the development of the recycling industry and improve working and living conditions for waste pickers in Argentina, the Cartoneros project, supported by the Danone Ecosystem Fund, is investing in infrastructure, such as equipment in existing plants in Buenos Aires, and in a new sorting and recycling center in Mendoza.

STAKEHOLDERS DIRECTLY IMPACTED



Employees



Community



Business partners



SDG 12: RESPONSIBLE CONSUMPTION AND PRODUCTION

Ensure sustainable consumption and production patterns
Engagement of Danone: **Major Focus**

SELECTED SDG TARGETS



KEY BUSINESS THEMES SELECTED BY DANONE FOR THE SDG 12

- Sustainable sourcing
- Resource efficiency of products and services
- Material recycling
- Procurement recycling
- Product and service information and labeling

2019 KEY PERFORMANCE INDICATORS

20

Danone entities B Corp™ certified and over 1/3 of Danone's consolidated sales is covered by the B Corp™ certification.

81%

of Danone's total packaging is recyclable, reusable or compostable.



MAIN INITIATIVES / BRANDS ACTIONS



OUR B CORP™ AMBITION

Our ambition to become a certified B Corp™ is probably the best expression of our long-term commitment to create and share sustainable value for all. In today's world, big companies and their brands are fundamentally challenged as to whose interest they really serve. B Corp™ certification is a mark of trust for entities demonstrating high standards of social and environmental performance. In addition to the B Corp™ certification, Danone is also collaborating with B lab® to advance towards the SDGs notably by participating to the SDG Action Manager developed by the United Nations Global Compact (UNGC).

REINVENTING SUSTAINABLE SHOPPING: SHOP, RETURN, REPEAT!

The Company is developing reusable packaging as well as innovative distribution and consumption models. By participating in the global purchasing system Loop™ in partnership with Terracycle, Danone provides consumers with access to a variety of products in personalized, sustainable packaging that are collected, cleaned, filled and reused.

STAKEHOLDERS DIRECTLY IMPACTED



Employees



Business partners



Consumers



Planet



SDG 13: CLIMATE ACTION

Take urgent action to combat climate change and its impacts
Engagement of Danone: **Major Focus**

SELECTED SDG TARGETS



KEY BUSINESS THEMES SELECTED BY DANONE FOR THE SDG 13

- Energy efficiency
- Environmental investments
- GHG emissions
- Risks and opportunities due to climate change

2019 KEY PERFORMANCE INDICATORS

PEAK REACHED

for full scope carbon emissions

FIVE YEARS AHEAD of plan and one year ahead of the 1.5°C scenario.

24.8%

reduction of GHG emissions in intensity on full scope (in g CO₂ equivalent/Kg product) (Baseline 2015).

29.1%

reduction of GHG emissions in absolute on scope 1 & 2 (in tons of CO₂) (Baseline 2015).



MAIN INITIATIVES / BRANDS ACTIONS



CARBON ADJUSTED RECURRING EPS

In 2019, Danone showed for the first time a "carbon-adjusted" recurring earnings per share (EPS) evolution that takes into account an estimated financial cost for the absolute GHG emissions on its entire value chain.

WATERS BUSINESS ENTITIES HAVE PLEDGED TO ACHIEVE CARBON NEUTRALITY:

evian and Volvic by 2020; Lanjarón by 2025 and Font Vella by 2030.

TRANSFORMATION ACCELERATOR PLAN

Danone is stepping up the speed and is increasing the depth of its transformation actions to put climate further at the core of its growth model. This will translate into an accelerated investment plan of around €2 billion cumulative over the 2020-2022 period on brands, climate and agriculture, packaging (about €900 million) and digitalization.

STAKEHOLDERS DIRECTLY IMPACTED



Consumers



Planet



SDG 14: LIFE BELOW WATER

Conserve and sustainably use the oceans, seas and marine resources for sustainable development
Engagement of Danone: **Commitment**

SELECTED SDG TARGETS



KEY BUSINESS THEMES SELECTED BY DANONE FOR THE SDG 14

- Environmental investments
- Spills
- Sustainable sourcing
- Water discharge to oceans

2019 KEY PERFORMANCE INDICATORS

67%

of Danone's plastic packaging is recyclable, reusable or compostable.

16%

recycled PET used on average by the Waters Business and 20.5% in countries where local standards and regulations allow for it.



MAIN INITIATIVES / BRANDS ACTIONS



© The Ocean Cleanup

DANONE AQUA AND EVIAN PARTICIPATE IN THE RIVER CLEAN UP SYSTEM (RCS) INTERCEPTOR™ 001 IN INDONESIA

The Ocean Cleanup's Interceptor™ is the world's first scalable solution for removing plastic from rivers. Sharing decades of packaging know-how, Danone, along with brands evian® and Aqua®, have been able to help The Ocean Cleanup analyze and categorize the collected debris from the first prototype in Indonesia, the River Clean Up System (RCS) Interceptor™ 001, as well as understand better the challenges in extracting and treating the waste that is recovered.



PARTNERSHIP BETWEEN DANONE AND LOOP INDUSTRIES

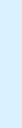
In 2017, Danone forged a partnership with LOOP Industries. LOOP has developed a ground-breaking technology that enables a continuous loop for recycling at large scale, transforming all types of PET waste into high quality plastic.



ELLEN MACARTHUR FOUNDATION

Danone has joined the Ellen MacArthur Foundation as ninth Global Partner to advance circular economy. We aim to integrate circular economy principles into our operations to an even greater extent. We continue to work actively with the EMF to promote the circular economy.

STAKEHOLDERS DIRECTLY IMPACTED



Planet

15
LIFE
ON LAND



SDG 15: LIFE ON LAND

Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification and halt and reverse land degradation and halt biodiversity loss
Engagement of Danone: **Commitment**

SELECTED SDG TARGETS



KEY BUSINESS THEMES SELECTED BY DANONE FOR THE SDG 15

- Deforestation and forest degradation
- Genetic diversity of farms and domesticated animals
- Landscapes forest management and fiber sourcing
- Mountain ecosystems
- Natural habitat degradation
- Terrestrial and inland freshwater ecosystems

2019 KEY PERFORMANCE INDICATORS

90%

of our paper and board packaging is made of recycled or FSC certified fibers.

126

million trees planted since 2011 by the Livelihoods Carbon Fund.



MAIN INITIATIVES / BRANDS ACTIONS



“FARMING FOR GENERATIONS”

Danone is part of “Farming for Generations”, a new alliance of agricultural sector leaders who come together in a unique project to support farmers to adopt regenerative agricultural practices that preserve and renew our planet’s resources, respect animal welfare and ensure the long-term economic viability of farms for the next generations.



Sustainable Dairy Partnership
Business to Business

SUSTAINABLE DAIRY PARTNERSHIP

In 2019, Danone helped define and design the Sustainable Dairy Partnership, which aims to develop a more sustainable dairy industry by requiring participating processors to address the prevention of deforestation and the protection of animal welfare and human rights, as well as to ensure compliance with local legislation.



© Emilio Correa

FUNDACIÓN VILLAVICENCIO: SAFEGUARDING BIODIVERSITY AND WATER RESOURCES

Fundación Villavicencio embodies Aguas Danone Argentina’s commitment to protecting water resources. Through it, the project helps to safeguard the ecosystem and its unique biodiversity—not only at Danone’s own sites but in other places as well—and leaving our planet better than how we found it. Fundación Villavicencio focuses on making its actions self-sustainable.

STAKEHOLDERS
DIRECTLY
IMPACTED



Community



Business
partners



Planet



SDG 16: PEACE, JUSTICE AND STRONG INSTITUTIONS

Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels
Engagement of Danone: **Commitment**

SELECTED SDG TARGETS



KEY BUSINESS THEMES SELECTED BY DANONE FOR THE SDG 15

- Effective, accountable and transparent governance
- Compliance with laws and regulations
- Anti-corruption
- Public access to information
- Inclusive decision making

2019 KEY PERFORMANCE INDICATORS

90%

of employees took part in the second edition of our 'One Voice' consultation.

Around 41,000

of these employees volunteered to analyze the consultation's results and insights.



MAIN INITIATIVES / BRANDS ACTIONS



SET OF COMPLIANCE POLICIES AND PROCEDURES

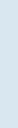
Danone works actively against corruption, payments in kind, conflicts of interest, theft, embezzlement, inappropriate use of company resources and money laundering. Danone has established policies and procedures for responsible practices that apply to all its employees, its subsidiaries, the companies controlled by the Company and, in some cases, its business partners.



ONE PERSON. ONE VOICE. ONE SHARE PROGRAM

Danone has organized a global consultation enabling employees to share their views of the Company's priorities and on the definition of local and global roadmaps. In 2019, 26 employee volunteers were selected to represent all Danone employees and interact with the Company's Board of Directors and Executive Committee. Also, every eligible employee was granted one DANONE share, which gives them the right to vote at the Shareholders' Meeting.

STAKEHOLDERS DIRECTLY IMPACTED



Employees



Business partners

FOR MORE INFORMATION

Danone's corporate website

www.danone.com

> Impact > UN's Sustainable Development Goals

