



UK Modern Slavery Statement

2020-2021

Foreword

Welcome to our annual UK Modern Slavery Statement. At Danone we aim to bring health through food and drink to as many people as possible and it's vital that we do so in a sustainable and responsible way. We recognise that the last year has particularly brought significant changes to our way of life – for individuals, communities and businesses – but also for global supply chains. As such, it's never been a more important time for us to continue protecting and supporting human rights across the full length of our supply chain.

AT DANONE, WE'VE LONG BEEN COMMITTED TO OFFERING PEOPLE HEALTHIER AND MORE SUSTAINABLY PRODUCED FOOD AND BEVERAGE CHOICES, AS WELL AS TAKING CARE OF EMPLOYEES, COMMUNITIES AND THE ENVIRONMENT. THIS PURPOSE IS EMBEDDED IN THE 'ONE PLANET. ONE HEALTH' FRAME OF ACTION, WHICH IS AT THE HEART OF EVERYTHING WE DO. BUILDING ON DECADES OF RESPONSIBLE BUSINESS STEWARDSHIP WE ALSO HAVE AN AMBITION TO BE GLOBALLY B CORP CERTIFIED BY 2025, DEMONSTRATING OUR DEDICATION TO THE HIGHEST SOCIAL AND ENVIRONMENTAL STANDARDS, AND TO USING OUR BUSINESS AS A FORCE FOR GOOD.

In the course of the last year, the way in which business is conducted has changed profoundly across industries and countries around the world. As a result, we implemented strong measures to protect our employees and partners. These include the introduction of clear protocol for safe working for employees, adapting our operations to maintain continuity of supply, and modifying our decision-making processes and ways of working. Despite the challenges of the last year, we remain fully committed to 'One Planet. One Health'. In fact, the last year has only galvanised us in our vision.

Building on our Sustainability Principles and Statement on Forced Labour, we've progressed the implementation of our due diligence approach, which helps us focus our efforts where the risk is highest.

We believe collaboration is essential to driving real progress towards eradicating slavery, human trafficking and child labour.

In 2020 we supported the launch of the newly formed 'Consumer Goods Forum Human Rights Coalition – Working to End Forced Labour'. In doing so we committed to establishing and deploying human rights due diligence (HRDD) systems focused on forced labour in our operation. We have the aim of reaching 100% coverage by 2025 including third-party labour engaged by contractors or labour agencies for regular and ongoing work in our operations.

This report covers our continued actions in 2020-21. For further detail, we invite you to read our [Universal Registration Document](#) as well as our [2019 UK Modern Slavery Statement](#).



James Pearson, General Manager Integrator, Danone UK & Ireland
June 2021



DANONE
ONE PLANET. ONE HEALTH

PROGRESS SINCE 2019-20 STATEMENT



Supported the launch of the new 'CGF Human Rights Coalition – Working to End Forced Labour'. We pledged to develop and implement Human Rights Due Diligence (HRDD) focused on forced labour in our operations and achieve 100% coverage by 2025, including external workers hired by temporary work agencies and on-site contractor workers.



Implemented dedicated local expert support to suppliers for building a corrective action plan when social audits identified critical non-conformities.



Piloted a dedicated methodology for social audits of labour agencies in Mexico, combined with a worker survey. This was co-developed and implemented by a specialised firm.



Rolled out our internal e-learning module on human rights and forced labour for human resources, procurement and general secretary teams. At the end of 2020, more than 3,500 Danone employees had completed this training. Completion rate reached 81% for the equivalent Danone UK and Ireland teams.



Rolled out our internal global compliance e-learning programme to remind colleagues of our commitments to ethical business practices, our code of business conduct and whistleblowing procedures. The Danone UK and Ireland region achieved a 98% completion rate.

DANONE GLOBALLY AT A GLANCE

OUR MISSION: BRINGING HEALTH THROUGH FOOD TO AS MANY PEOPLE AS POSSIBLE

LEADING POSITIONS⁽¹⁾

#1
WORLDWIDE

for fresh dairy products;
for plant-based foods and beverages;

#3
WORLDWIDE

for packaged waters*;

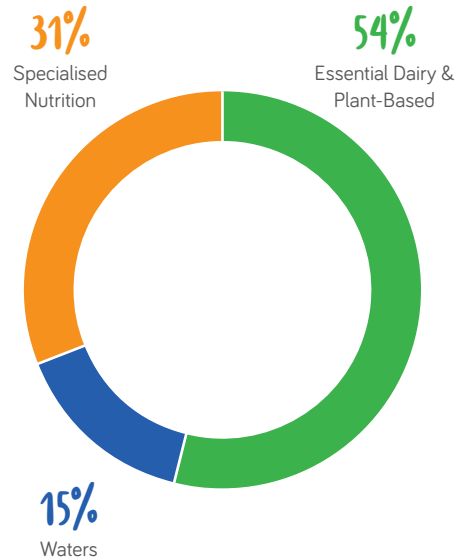
#2
WORLDWIDE

for early life nutrition;

#1
IN EUROPE

for adult nutrition.

SALES BY REPORTING ENTITY



A GLOBAL PRESENCE

120+

countries where Danone products
are available around the globe

100,000+

employees in over 55 countries

43%

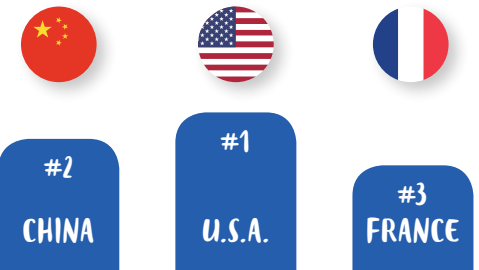
of sales outside Europe & Noram

90%

Danone's product volumes sold are
in healthy categories

TOP 3 COUNTRIES

in % of 2020 sales



KEY FIGURES

AAA⁽²⁾

For the 2nd year
in a row, one of the
10 companies
worldwide and the
only food company.

~50%

of sales
covered by
B CORP
Certification.

1 Only in the subcategories and countries where Danone operates.
* For packaged waters position in 2019.

2 Scores obtained as part of the CDP Climate Change, CDP Water security and CDP Forests questionnaires.

Our Supply Chain

PROTECTING PEOPLE AND THE GLOBAL FOOD SOURCE

AS THE PLIGHT OF VULNERABLE PEOPLE AROUND THE WORLD BECOMES INCREASINGLY UNSTABLE, WE CONTINUE TO WORK TOWARDS THE ERADICATION OF MODERN SLAVERY AND TRAFFICKING IN ALL ITS FORMS.

At Danone we're committed to protecting and supporting the supply chain that helps provide our global food supply. We recognise that global and complex agri-food supply chains carry the risk of human rights and environmental violations. To mitigate these risks, we have established a set of fundamental principles and pledged to work with suppliers towards more responsible practices.

We're therefore committed to protecting human rights in our value chain and combatting forced labour. We're also dedicated to fostering inclusive growth in our supply chain – addressing inequities and strengthening livelihoods and decent work. We're working with public authorities, NGOs and business partners, and encourage our suppliers to embark on the same journey with us.

We believe that what and how we source has an important impact on both nature and people and shapes the world we want to live in. The sourcing of agricultural products accounts for two-thirds of our carbon emissions and 89% of our water use. And while Danone has around 100,000 employees, by some estimates, for every employee there are at least seven people in our value chain working for us but not directly employed by Danone.

HOW WE WORK WITH SUPPLIERS

Our suppliers are our leading partners in making 'One Planet. One Health' a reality. We're part of the same natural and business ecosystem, meaning we share many of the same challenges and must build the solutions together.

As a foundation, all of our suppliers are required to adhere to **Danone's Sustainability Principles for Business Partners**, which is described in greater detail on page 7. They are also invited to go further to co-create solutions that deliver on our frame of action. We believe joint innovation and problem-solving is a win-win for both Danone and our suppliers, and the key to sourcing in a way that's good for consumers and for society. We'll use frameworks such as B Corp, the Science Based Targets initiative (SBTi) and Carbon Disclosure Project (CDP) to engage suppliers on this journey.

See a visualisation of our supply chain below, please note the global agricultural supply chain is complex and can involve many intermediary traders or suppliers.

FROM GROUND TO GROCERY STORES



Supply Chain Management and Transparency

SUSTAINABLE SOURCING

DUTY OF VIGILANCE

The due diligence we develop and implement in our supply chain is governed through the Danone Vigilance Plan. Launched in 2017, in line with France's Duty of Vigilance Law, the plan seeks to identify, prevent and mitigate the company's social and environmental severe risks, as well as those in the supply chain, which includes responsible sourcing and human rights.

LABOUR RISK MAPPING

To identify the prominent risks, we undertook both materiality and risk-mapping exercises in 2017, the latter across Danone's 20 purchasing categories with the highest exposure. We analysed the sustainability risks in the supply chain using a checklist derived from the ISO 26000, GRI G4 and SA 8000 standards, taking into account the potential impacts of purchased products, with a strong focus on human rights and impacts on local communities and consumers, but also including fair trade practices and environment.

We used this risk mapping to help identify the categories that we would treat as human rights priorities. These are workers employed through outside labour providers with four agricultural raw materials: palm oil; cocoa; cane sugar; fruit. In the agricultural categories, potential risks identified are mainly at the upstream end of the supply chain – at farms and plantations – and include, in particular, the potential risks typical of agricultural chains, such as working conditions, health and safety, forced labour and child labour. Knowing where the raw material is actually produced is the first necessary step to be able to address the risks upstream.

AGRICULTURAL SUPPLY CHAIN TRANSPARENCY

RAW MATERIAL	TRACEABILITY	ADDITIONAL INFORMATION
Palm Oil	At the end of 2020: <ul style="list-style-type: none"> • 95% certified Roundtable on Sustainable Palm Oil (RSPO) segregated • 3% certified RSPO mass balanced • 2% sourced from Africa 	Danone partners with Earthworm Foundation (formerly The Forest Trust) to ensure traceability of palm oil. Direct and mill-level suppliers available on our website
Fruit	<ul style="list-style-type: none"> • 100% traceable to tier two 	<ul style="list-style-type: none"> • 100% in 2019
Cocoa	<ul style="list-style-type: none"> • 70% traceable to country level 	<ul style="list-style-type: none"> • 70% in 2019 • 80% UTZ certification
Sugar Cane	<ul style="list-style-type: none"> • 83% traceability (41% mill-level, 42% plantation level) 	<ul style="list-style-type: none"> • Partner with Proforest to ensure traceability

PALM OIL ADDITIONAL INFORMATION CONTINUED

Since 2015, Danone has pledged to ensure the traceability and provenance of the palm oil it uses. In order to guarantee that it can be traced back to the plantations, in 2020 Danone worked with two of its US suppliers to build the first segregated palm oil supply chain in the US.

In parallel Danone is supporting the livelihoods of small farmers, for example through participating to a multi-stakeholder holistic project in the Siak and Pelalawan districts in Indonesia. The aim is to develop sustainable and inclusive production models in these regions.



Responsible Sourcing – Liquid Milk

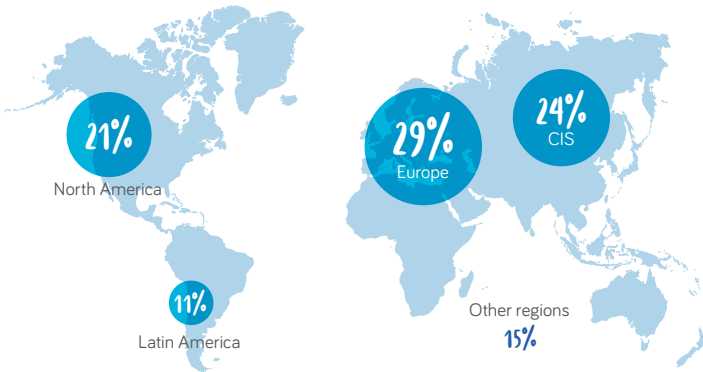
SUPPORTING OUR FARMERS

Milk is the main raw material purchased by Danone. We source local raw milk from more than 50,000 farms in around 20 countries, both directly and indirectly, with most coming from small or family farms.

Danone has a dedicated team within cycles and procurement – the Agriculture Cycle – which oversees supplier relations and the roll-out of Danone’s roadmap. The team works hand-in-hand with suppliers – producers and farmers – to ensure that our sourcing regenerates natural resources, nourishes health and wellbeing, strengthens inclusion in our value chain and builds trust with consumers.

Since farmers are the main players in the transition toward regenerative agriculture, we seek to empower them by setting up several mechanisms such as Cost Performance Model (CPM) contracts which guarantee greater income stability for dairy farmers and encourage them to make the transition to new practices.

DANONE’S SOURCING OF FRESH MILK BY GEOGRAPHIC AREA



5.1 million
tons of fresh milk collected in 2020

COST PERFORMANCE MODEL (CPM)

Danone works with producers in the US, Europe and Russia to develop innovative contracts, with an average term of three to five years. These long-term CPM contracts factor production costs into milk pricing and are developed in partnership with milk producers or their organisations.

In 2020, 43% of milk collected in Europe (41% in 2019) and 29% of the milk Danone collects altogether was covered by CPM contracts (28% in 2019).

SUPPLIER TRAINING AND TECHNICAL SUPPORT

We support dairy farmers by providing them with training and technical support to transform their practices, while ensuring the viability of their business models. For example, through the Sustainable Dairy Partnership, we’ve continued to work for a more sustainable dairy industry by supporting the prevention of deforestation and the protection of human rights and animal welfare, as well as compliance with local legislation.

In 2020, in conjunction with the Sustainable Dairy Partnership, Danone also headed a regenerative agriculture assessment project. The aim of the project is to analyse farmers’ practices in the areas of soil health, biodiversity and water management, and then issue recommendations.

LIVELIHOODS FUND FOR FAMILY FARMING

Created in 2015, the Livelihoods Fund for Family Farming aims to build sustainable supply chains for companies while improving the lives of small holders through sustainable agriculture practices that help to restore ecosystems and improve yields.

Find out more [here](#).



EMPOWERING THE NEXT GENERATIONS OF FARMERS

We believe farmers and farm workers are the lead actors in the transition to regenerative agriculture to feed the world but also regenerate the earth.

Though our regenerative agriculture approach, we want to empower the next generation of farmers by ensuring regenerative agriculture models are economically viable, and protect human rights and safety of workers. We support farmers as they transition practices, providing access to skills, technology and financing. For this we use vehicles such as Farming for Generations, the Danone Ecosystem Fund and Livelihoods Funds.

Find out more [here](#).



Responsible Sourcing – Ingredients, Packaging and Services

SUPPORTING OUR SUPPLIERS

DRIVING RESPONSIBLE ACTION

Danone’s approach to responsible sourcing is based on our Sustainability Principles, which cover our own operations and supply chain, with standards on labour rights, environmental protection and business ethics. Through our policies and principles, we strongly encourage good practice both upstream at farm level and by our direct suppliers.

RESPONSIBLE PROCUREMENT

We implement responsible procurement and due diligence through our ‘RESPECT’ programme dedicated to direct suppliers outside of liquid milk, for example processed raw materials such as fruit preparations and powdered milk, packaging, production machinery, transport and other services. Since 2017, we’ve moved this programme towards a more comprehensive due diligence approach and stepped up the human rights requirements. This approach is inspired by the United Nations Guiding Principles on Business and Human Rights (UNGPR).

EVALUATION PROCEDURES FOR DIRECT SUPPLIERS

As part of the RESPECT process, we ask our direct suppliers to register on the Supplier Ethical Data Exchange (Sedex) collaborative platform and complete a self-assessment questionnaire evaluating their sustainability performance, which includes human rights criteria. At the end of 2020, 3,891 supplier sites were registered on the platform and 57% had completed the new 2020 questionnaire.

In 2020, we conducted, in parallel, a new risk analysis combining risks and materiality for the top 50 suppliers (by purchase amounts) of Danone’s representative business units and global categories. We developed an in-house human rights impact score for each of these suppliers, which was weighted by:

- the inherent country social risk index as identified by the new Sedex risk tool (50%);
- the purchase amount (30%);
- the purchase category risk (20%).

As a result, a total of 838 suppliers were measured, representing approximately 26% of purchase amounts. This mapping was used to design Danone’s 2021 social audit plan.

838

suppliers were measured

309

SMETA audits carried out on our suppliers

SOCIAL AUDITS

Danone’s on-site assessment of its priority or high-risk suppliers is performed by expert third-party auditors according to the Sedex Members Ethical Trade Audit (SMETA) methodology, which encompasses social, environmental and ethics. This internationally recognised audit protocol includes management’s and workers’ interviews in addition to facility tours and documentation review. Its human rights scope covers ‘International Labor Organization’ (ILO) core conventions and is regularly updated.

BREAKDOWN OF CRITICAL NON-CONFORMITIES IDENTIFIED

Analysis focused solely on critical non-conformities from SMETA audits (or those conducted using a similar methodology) of Danone suppliers in 2019 and 2020.

	2019	2020
Total number of critical non-conformities identified	277	126
Percentage of critical non-conformities related to:		
• Forced labour	1%	1.6%
• Child labour	1%	0%
• Health and safety	51%	49.2%
• Discrimination	0%	0%
• Freedom of association and the right to collective bargaining	2%	2.4%
• Working hours and compensation	27%	33.3%
• The environment	8%	4.8%
• Business ethics	5%	4%
• Other	5%	4.8%

Through the Sedex platform, we can also access audits of shared suppliers by peer companies and we participate in mutual audit recognition through the AIM-Progress forum. As a result, in 2020 we had access to 309 SMETA audits carried out on our suppliers, either by ourselves or by our peers (less than previous years because of the Covid-19 pandemic). Auditors flag the non-conformities with local and international laws and standards and include in their report a corrective action plan for the supplier to implement within an appropriate timeline. Audits are considered as closed when auditors have verified the remediation. With regard to continuous supplier improvement and audit closure, our goal is to establish regular dialogue with our direct suppliers on their responsible purchasing processes and monitor audit effective remediation, including when audits of shared suppliers are conducted by peer companies. If they don’t succeed, an escalation process takes place that may end up in the termination of the relationship in case of refusal to uphold the Danone Sustainability Principle standards.

RESPECT PROGRAMME

We track our RESPECT programme using three indicators: KPI 1 (suppliers’ registration on the Sedex platform), KPI 2 (the audit plan completion rate) and KPI 3 (on-time closure by auditors of audits that identified critical non-conformities).

Due to the pandemic, in 2020 the latter two indicators were temporarily converted to indicators of means, which helped strengthen the involvement of the purchasing teams. Instead of plan completion, KPI 2 measured the purchasing teams’ collaboration in developing the 2021 audit plan, combining risk and commercial significance. This indicator reached 89% for the regions in 2020.

Regarding audit closure, in the context of the Covid-19 pandemic, Danone focused on developing new processes to increase the robustness and sustainability of its supplier remediation plans, and implemented dedicated experts in China and Mexico to help suppliers develop their corrective action plans. In 2020, the KPI 3 indicator measured the buyers’ involvement with their suppliers in the closure of critical non-conformities, with the help of expert resources. This indicator reached 74% at the end of the year.

KPI: measuring purchasing teams’ collaboration in developing the 2021 audit plan:

89%

KPI: measuring buyers’ involvement with their suppliers towards the closure of critical non-conformities:

74%

Polices, Partnerships and Memberships

ESTABLISHING STRONG SOCIAL FUNDAMENTALS

Effective policies are in place to define the expected behaviour of both our business' and our suppliers' employees.

DANONE FUNDAMENTAL SOCIAL PRINCIPLES AS PART OF DANONE SUSTAINABILITY PRINCIPLES

The Danone Fundamental Social Principles are based on the 'International Labor Organization' (ILO) core conventions relating to child labour, forced labour (such as freedom of movement and freedom to leave employment, no worker should pay for a job, no worker should be indebted or coerced to work), discrimination, freedom of association and right to collective bargaining, health care and safety at work, working hours and pay. Together with our Environmental and Business Ethics Principles, they form the Danone Sustainability Principles, which apply to our own operations and are extended to our supply chain through the [Danone Sustainability Principles for Business Partners](#).

These principles are incorporated into a clause in our contracts with direct suppliers, which requires the supplier to ensure that the labour and ethical principles are already in place in its own organisation, and that its employees, agents, suppliers and subcontractors comply with them as well.

CODE OF BUSINESS CONDUCT

[Danone's Code of Business Conduct](#) covers all employees globally. The Code is based on principles derived from the Universal Declaration of Human Rights, the fundamental conventions of the ILO, the Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises and the United Nations Global Compact on human rights, labour rights, the environment and anti-corruption. Employees are required to commit to the Code of Business Conduct as part of their terms of employment and as part of a wider compliance programme across Danone.

STATEMENT ON FORCED LABOUR

As a member of The Consumer Goods Forum (CGF), we recognise our role as a responsible business to respect and promote human rights and decent working conditions worldwide. We commit to working together with our peers across the industry and with other key stakeholders to help eradicate forced labour. We therefore reaffirm our resolve to strive to end forced labour through the

mainstreaming of the CGF's three Priority Industry Principles (see page 8), which we've integrated in our Fundamental Social Principles.

GLOBAL EXTERNAL WORKFORCE POLICY

In 2018, Danone issued an internal Global External Workforce Policy, which focused on labour agency workers and prohibiting the payment of recruitment fees by workers. In 2020, as part of its implementation, we piloted a dedicated methodology for social audits of labour agencies in Mexico, which was co-developed and implemented by a specialised firm. This methodology includes surveys conducted among temporary workers – and their Danone colleagues and supervisors – to better assess the situation of temporary workers.

FOSTERING INCLUSIVE GROWTH IN OUR VALUE CHAIN

For the past 10 years, the Danone Ecosystem Fund has developed activities of public interest within Danone's ecosystem, positively impacting stakeholders such as smallholder farmers, micro-entrepreneurs, caregivers and waste-pickers. The fund supports projects co-designed with a non-profit partner, addressing both social and economic challenges, as well as environmental and public health issues. Through its projects, the fund is creating inclusive business models that have already empowered 69,000 people and improved the living conditions of more than 4.8 million people.

Find out more in our [2020 Highlights](#).



Polices, Partnerships and Memberships *continued*

ENGAGING WITH PARTNERS TOWARDS MORE RESPONSIBLE PRACTICES

Danone is working with partners towards more responsible practices through engaging in partnerships and making specific public commitments.



Pre-2016

Ethical supply chain management has always played a part in Danone's sourcing. We've been a member of the UN Global Compact since 2003 and we launched our RESPECT programme in 2005 for supplier compliance with Social Principles. We expanded the programme in 2009 to include Environmental and Ethics Principles.

2017

We incorporated the three priorities set by the CGF into our Fundamental Social Principles: every worker should have freedom of movement, no worker should pay for a job and no worker should be indebted or coerced to work.

2016

We joined the Consumer Goods Forum's (CGF) collective effort to eradicate forced labour from its global supply chain.



Membership of AIM-Progress

We're also members of a forum AIM-PROGRESS where we collaborate to share best practice around responsible sourcing and human rights amongst other Fast Moving Consumer Goods (FMCG) manufacturers and peers.

2018

We published our Statement on Forced Labour.

We also launched Danone's Global External Workforce Policy, intended to ensure that the labour agencies we use respect the fundamental rights and freedoms of workers, especially relating to workers not paying recruitment fees.



2019

Alongside the OECD, we participated in the launch of the Business for Inclusive Growth (B4IG) coalition. This aims to scale up actions on inclusive growth, particularly as regards human rights across the value chains.

We also introduced our third RESPECT KPI: audit closure.

2020

We supported the launch of the CGF's new 'Coalition - Working to End Forced Labour'. In doing so, we pledged to develop and implement Human Rights Due Diligence (HRDD) focused on forced labour in our operations with the goal of achieving 100% coverage by 2025, including external workers hired by temporary work agencies and on-site contractor workers.

We also introduced dedicated expert support to help suppliers develop corrective action plans for social audits with critical non-conformities.



ELIMINATE CHILD LABOUR AND FORCED LABOUR

In November 2020, the 40-member OECD Business for Inclusive Growth coalition issued a position paper reaffirming its resolve to eliminate child labour and forced labour, and to respect freedom of association. To that end, the members intend to develop and mobilise tools related to due diligence, helping suppliers make progress in terms of human rights and grievance mechanisms.



2021

We will perform a human rights saliency assessment and establish our road map based on the CGF's guidelines.

Governance

FOSTERING INCLUSIVE GROWTH

At Danone, governance is not solely about monitoring and regulating behaviour. We also challenge ourselves to continuous improvement by strengthening our processes and aligning to internationally recognised frameworks such as the United Nations Global Compact and B Corp.

COMPLIANCE PROCESSES

In 2020, compliance with the responsible purchasing and human rights programmes is monitored by the nature and water cycle department, part of the cycles and procurement department, under the responsibility of the Chief Cycles & Procurement Officer. An update on the progress of the human rights pillar of the Vigilance Plan was presented to the Board of Directors' Engagement Committee in December 2020.

OUR 2030 COMPANY GOALS

At Danone we've defined a set of nine long-term goals – aligned with the United Nations' Sustainable Development Goals – to embrace the food revolution while creating sustainable value for our shareholders and ecosystem.

In 2020, we took another step forward by becoming the first listed company to adopt the *Entreprise à Mission* model, selecting four of our 2030 Company Goals as our mission and integrating them into our by-laws.

The by-law that relates to human rights is: 'foster inclusive growth by ensuring equal opportunities within the company, supporting the most vulnerable partners in its ecosystem and developing everyday products accessible to as many people as possible.' Responsible sourcing, supply chain management and human rights will be monitored by the Mission Committee (with specific targets set for 2021) and verified by an independent third party under the *Entreprise à Mission* status.

ADOPTING THE ENTREPRISE À MISSION STATUS

We have appointed a Mission Committee to monitor progress and have defined key performance indicators, including 'Responsible Sourcing & Supply chain due diligence and Human Rights, to allow an independent third party to verify this. This step is also in line with our goal of obtaining worldwide B Corp certification by 2025, which will show consumers and stakeholders that all Danone entities and brands are putting their businesses to work to serve society and that we commit to the highest social and environmental standards.

WHISTLEBLOWING

Since 2017, the Danone Ethics Line has enabled whistleblowers to report suspected environmental and human rights violations. We developed the reporting process in consultation with employee representatives to ensure that whistleblowers are protected.

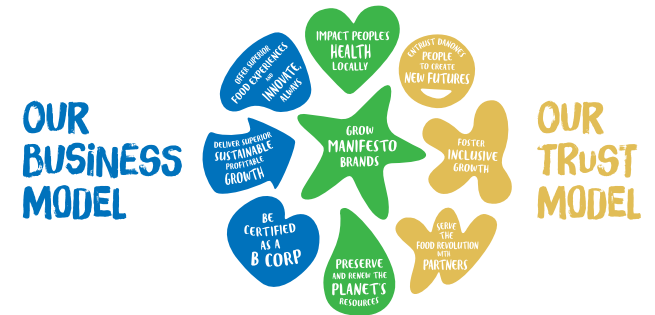
All reports received in the human rights category are initially reviewed by human resources. If serious violations are identified based on a report, the sustainability, human resources and general secretary departments come together to review them and determine appropriate action plans.

In 2020, 31 reports were made in the human rights category. Of these, 24 cases have been closed and seven are still under investigation.

In 2020, we strengthened our process to address human rights violation allegations coming from channels other than the Danone Ethics Line.

DANONE GOALS BY 2030

OUR BRAND MODEL



OUR BUSINESS MODEL

OUR TRUST MODEL

DANONE BECAME THE FIRST LISTED COMPANY TO ADOPT THE "ENTREPRISE À MISSION" MODEL CREATED BY FRENCH LAW IN 2019.

AN "ENTREPRISE À MISSION" IS DEFINED AS A COMPANY WHOSE SOCIAL AND ENVIRONMENTAL OBJECTIVES ARE ALIGNED WITH ITS PURPOSE AND SET OUT IN ITS ARTICLES OF ASSOCIATION.

Training and Engagement

PROVIDING LEARNING OPPORTUNITIES

MITIGATING RISK AND PREVENTING SERIOUS VIOLATIONS IN THE SUPPLY CHAIN

Prevention and mitigations take place through a series of actions, including certification and collaborative initiatives across the sector. Danone works directly with selected producers further up its supply chain and we've developed many collaborative projects to help producers address environmental and labour issues.

TRAINING AND ENGAGEMENT

Internally at Danone, we train our RESPECT champions and buyers on the RESPECT programme and ensure that they're aware of risks related to forced labour and the CGF's three priorities. In 2020, the central team in charge of this programme stepped up by organising monthly training webinars and sessions on audits. In 2020, the RESPECT team also developed e-learning modules that will be part of the buyer skills programme. These initiatives significantly strengthened buyers' engagement and fostered discussions about local requirements.

We also deployed our e-learning training programme on human rights and forced labour to build awareness of the local teams on the topic. The programme targeted the procurement, human resources and general secretary functions. More than 3,500 Danone employees had completed this training at the end of 2020.



ACROSS THE UK & IRELAND

In 2020, Danone UK and Ireland committed to a phased internal roll-out of the Danone human rights e-learning for the human resources, procurement and general secretary teams. In 2020, 81% of colleagues in these teams had completed the e-learning. We also shared the broader issue of modern-day slavery more widely via an internal communications campaign, to encourage other employees across the UK and Ireland to learn more.

In addition, we launched the 'Every day we go further with you' campaign in the UK and Ireland. This was a new people-centric approach, empowering colleagues to recognise and act on compliance. It encouraged all Danone employees to take responsibility for compliance.

We hosted several workshops at our six sites in the UK and Ireland. During these sessions, we showcased our Code of Business Conduct, the Danone Ethics Line whistleblowing platform and our new compliance fundamentals e-learning. We maintained momentum throughout the year and achieved a record 98% completion rate for the compliance e-learning, a testament to our commitment to being part of an ethical company.



Our 2021 Planned Actions

OUR 2021 PLANNED ACTIONS

- Human rights saliency assessment with expert external support.
- Upgrade of the Danone Sustainability Principles, with a sustainability clause in contracts.
- Developing the social pillar of Danone Regenerative Agriculture framework.

PROTECTING THE PEOPLE BEHIND THE FOOD

At Danone, we're committed to protecting human rights in our value chain and combatting forced labour. Due diligence – meaning working proactively to understand and minimise risks – is the continuous improvement path recommended by internal standards (such as UNGP and OECD) and requested by France's Duty of Vigilance Law. We're deploying it within our supply chain through the RESPECT programme for direct suppliers and through dedicated approaches in high-risk upstream supply chains.

We're also dedicated to fostering inclusive growth in our supply chain – combatting inequities, strengthening livelihoods and decent work. We're working with public authorities, NGOs and business partners, and we strongly encourage our suppliers to embark on the same journey with us.

SIGNATURES FROM GENERAL MANAGERS AND DIRECTORS

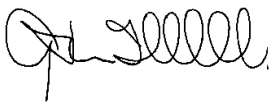
As General Managers and Directors of the UK businesses of The Danone Company, we approve this statement.



James Pearson
(Danone Waters)
on behalf of Danone Waters
(UK & Ireland) Limited



Sarah Dossett
(Danone Essential
Dairy & Plant-Based)
on behalf of Danone Limited



Gustavo Hildenbrand
(Danone Specialised Nutrition)
on behalf of Nutricia Limited



Javier Gutierrez
(Nutricia Liverpool)
on behalf of SHS International Limited

FIND OUT MORE

Find out more about how we protect our people and other actions we are taking here:

- [Danone Statement on Forced Labour](#)
- [Danone Annual Report](#)
- [Danone Ecosystem Fund website](#)
- [Business for Inclusive Growth website](#)
- [Danone Universal Registration Document](#)





DANONE
ONE PLANET . ONE HEALTH

THIS STATEMENT HAS BEEN PUBLISHED IN ACCORDANCE WITH THE MODERN SLAVERY ACT 2015. IT OUTLINES THE MEASURES TAKEN BY THE DANONE COMPANY AND ITS UK BUSINESSES DURING 2020-21 TO PREVENT SLAVERY, SERVITUDE, FORCED OR COMPULSORY LABOUR AND HUMAN TRAFFICKING ACROSS OUR BUSINESS AND SUPPLY CHAIN.

Contacts

If you have any comments or queries, please contact:

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pressuk.irl@danone.com

<https://www.danone.co.uk/media/contacts.html>

The Danone Company's UK businesses are:

Danone Ltd, Danone Waters (UK & Ireland) Ltd,
Nutricia Ltd, SHS International Ltd