

**Company Name** Danone  
**Industry** Agricultural Products (Supply Chain only)  
**UNGP Core Score (\*)** 17.0 out of 26

Score	Out of	For indicators
<b>Governance and Policy Commitments</b>		
1	2	A.1.1 Commitment to respect human rights
2	2	A.1.2 Commitment to respect the human rights of workers
1	2	A.1.4 Commitment to engage with stakeholders
0	2	A.1.5 Commitment to remedy
<b>Embedding respect and Human Rights Due Diligence</b>		
Embedding respect		
2	2	B.1.1 Embedding - Responsibility and resources for day-to-day human rights functions
Human Rights Due Diligence (HRDD)		
1.5	2	B.2.1 HRDD - Identifying: Processes and triggers for identifying human rights risks and impacts
2	2	B.2.2 HRDD - Assessing: Assessment of risks and impacts identified (salient risks and key industry risks)
2	2	B.2.3 HRDD - Integrating and Acting: Integrating assessment findings internally and taking appropriate action
1	2	B.2.4 HRDD - Tracking: Monitoring and evaluating the effectiveness of actions to respond to human rights risks and impacts
0.5	2	B.2.5 HRDD - Reporting: Accounting for how human rights impacts are addressed
<b>Remedies and Grievance Mechanisms</b>		
2	2	C.1 Grievance channels/mechanisms to receive complaints or concerns from workers
2	2	C.2 Grievance channels/mechanisms to receive complaints or concerns from external individuals and communities
0	2	C.7 Remedying adverse impacts and incorporating lessons learned
<b>17.0</b>	<b>26</b>	

(\*) Instead of the full list of indicators in the 2020 CHRB Methodology, this year's assessment uses the CHRB Core UNGP Indicators. These are 13 non-industry specific indicators that focus on three key areas of the UNGPs: high level commitments, human rights due diligence and access to remedy.

The 13 indicators selected from the full CHRB Methodology are scored on a simple unweighted basis, with a maximum of 2 points for each indicator for a maximum total of 26 points.

In addition, allegations of severe human rights impacts (Measurement Theme E) were also assessed but do not impact overall final scores

Please note that the "Not met" labels in the Explanation boxes below do not necessarily mean that the company does not meet the requirements as they are described in the bullet point short text. Rather, it means that the analysts could not find information *in public sources* that met the requirements *as described in full* in the CHRB 2020 Methodology document. For example, a "Not met" under "General HRs Commitment", which is the first bullet point for indicator A.1.1, does not necessarily mean that the company does not have a general commitment to human rights. Rather, it means that the CHRB could not identify a public statement of policy in which the company commits to respecting human rights.

## Detailed assessment

### Governance and Policies

Indicator Code	Indicator name	Score (out of 2)	Explanation
A.1.1	Commitment to respect human rights	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: General HRs commitment: The Company's Business Code of Conduct and their Integrity Policy extends human rights commitments to all Danone employees. This is extended to the Company's supplies through the RESPECT policy. The Code of Business Conduct sets that the Company respects the 'human rights of our employees as set out in fundamental conventions of the International Labour Organisation, including the right to freedom of association' [Danone Business Code of Conduct, 20/01/2016: <a href="http://danone.com">danone.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: UNGPs</li> <li>• Not met: OECD: The Company indicates on its website that the Code of Business Conduct is 'based on principles derived from' the OECD Guidelines, but the use of the wording 'based on' is not considered a commitment by CHRB's standards. In addition, no evidence found of commitment to the OECD Guidelines in the code of conduct. [2019 Universal Registration Document, 19/03/2020: <a href="http://danone.com">danone.com</a> &amp; Danone Business Code of Conduct, 20/01/2016: <a href="http://danone.com">danone.com</a>]</li> </ul>
A.1.2	Commitment to respect the human rights of workers	2	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: ILO Core: The Company Code of Business Conduct states 'We respect the human rights of our employees as set out in fundamental conventions of the International Labour Organisation, including the right to freedom of association.' The fundamental conventions are ILO 1-8. [Danone Business Code of Conduct, 20/01/2016: <a href="http://danone.com">danone.com</a>]</li> <li>• Met: Explicitly list All four ILO for AG suppliers: The Company has a Code of Business Conduct for Business Partners which extends to Human Rights (covering fundamental ILOs): 'Business Partners are expected to protect and promote the human rights of their employees. We expect them to be fair employers and to respect international labor standards, including the core conventions of the International Labor Organization and legislation prohibiting slavery and human trafficking.' In addition, in its Sustainability Principles for Business Partners, the Company includes specific provisions for each one of the ILO Core. With respect freedom of association and collective bargaining, it states: 'The Business Partner recognizes and respects employees' freedom of association and their right to freely choose their representatives. The Business Partner also recognizes employees' right to collective bargaining. The Business Partner ensures that employee representatives do not suffer any discrimination.' [Code of Conduct for Business Partners, 2018: <a href="http://danone.com">danone.com</a> &amp; Danone Sustainability Principles for Business Partners, 27/07/2018: <a href="http://danone.com">danone.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Met: Explicit commitment to All four ILO Core: The Company Code of Business Conduct states 'We respect the human rights of our employees as set out in fundamental conventions of the International Labour Organisation, including the right to freedom of association.[...] We will not tolerate violence, bullying, harassment, discrimination or any form of forced, bonded or child labor. We welcome diversity and encourage open communication and dialogue between employees and managers, a key part of our entrepreneurial spirit.' [Danone Business Code of Conduct, 20/01/2016: <a href="http://danone.com">danone.com</a>]</li> <li>• Met: Respect H&amp;S of workers: The Company's Code of Business Conduct states 'we are committed to providing a safe working environment where there is respect and equal opportunity for all.'. The Company has committed to the fundamental conventions of the International Labour Organisation. ILO 5 extends to health care and safety at work. The Company's RESPECT policy extends to suppliers. [Danone Business Code of Conduct, 20/01/2016: <a href="http://danone.com">danone.com</a>]</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<ul style="list-style-type: none"> <li>Met: H&amp;S applies to AG suppliers: The Company has a Code of Business Conduct for Business Partners which extends to Human Rights (covering health and safety through ILO 5).</li> </ul>
A.1.4	Commitment to engage with stakeholders	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>Met: Regular stakeholder engagement: The Company discloses the following initiatives to engage regularly with workers: 'One Person, One Voice, One Share: every eligible employee received a share in Danone and 26 volunteers have been selected across the world to regularly share the voice of our 100,000 employees with senior leaders. [...] Danone Committee for Information and Consultation (CIC), the annual meeting between union representatives from all geographies and the COMEX.' [Integrated Annual Report 2019: Performance, N/A: <a href="http://danone.com">danone.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>Not met: Commits to engage stakeholders in design</li> <li>Not met: Regular stakeholder design engagement</li> </ul>
A.1.5	Commitment to remedy	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>Not met: Commits to remedy: Although the Company is committed to fighting against forced labor and provides figures related to non-conformities found in supplier audits, no evidence found of a formal statement commitment to remedy adverse impacts. [Danone Statement on forced labor, 12/2018: <a href="http://danone.com">danone.com</a> &amp; 2019 Universal Registration Document, 19/03/2020: <a href="http://danone.com">danone.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>Not met: Not obstructing access to other remedies</li> <li>Not met: Collaborating with other remedy initiatives</li> <li>Not met: Work with AG suppliers to remedy impacts</li> </ul>

## Embedding Respect and Human Rights Due Diligence

Indicator Code	Indicator name	Score (out of 2)	Explanation
B.1.1	Responsibility and resources for day-to-day human rights functions	2	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>Met: Commits to ILO core conventions: See indicator A.1.2. The Company is committed to respect ILO core conventions.</li> <li>Met: Senior responsibility for HR: According to the Director of Organisation Development and Social Dynamics has the lead responsibility for human rights issues and for social issues, the Director of Organisation Development and Social Dynamics has the lead responsibility for human rights issues and for social issues. The 2017 Registration Document States that Compliance with the Responsible Purchasing and Human Rights programs is monitored by the Nature and Cycles Sustainability team, under the responsibility of the Chief Procurement &amp; Cycles Officer. [Danone Business Code of Conduct, 20/01/2016: <a href="http://danone.com">danone.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>Met: Day-to-day responsibility: The 2018 Registration Document States that Compliance with the Responsible Purchasing and Human Rights programs is monitored by the Nature and Water Cycle Department, under the responsibility of the Chief Procurement &amp; Cycles Officer. [2019 Universal Registration Document, 19/03/2020: <a href="http://danone.com">danone.com</a>]</li> <li>Met: Day-to-day responsibility for AG in supply chain: The 2018 Registration Document States that Compliance with the Responsible Purchasing and Human Rights programs is monitored by the Nature and Water Cycle Department, under the responsibility of the Chief Procurement &amp; Cycles Officer. [2019 Universal Registration Document, 19/03/2020: <a href="http://danone.com">danone.com</a>]</li> </ul>
B.2.1	Identifying: Processes and triggers for identifying human rights risks and impacts	1.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>Met: Identifying risks in own operations: Following an update in its global materiality and risks analysis in 2017, the Company identified its human rights risks through the materiality matrix and Vigilance Plan that covers respect for human right for its own and its suppliers business. For example, the company highlights access to safe drinking water, sanitation and hygiene as a second tier material topic. In 2018, the Company updated its risk-mapping process to include changes in its ingredient portfolio after the acquisition of another company. [Danone Registration Document, 31/12/2017 &amp; Registration Document 2018, 3/2019: <a href="http://danone.com">danone.com</a>]</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<ul style="list-style-type: none"> <li>• Met: Identifying risks in AG suppliers: The Vigilance Plan extends to suppliers. 'In 2018, the Company stepped up its approach with direct suppliers, conducting a risk analysis using geographic and sector-based data for the 4,000 Danone supplier sites registered on the Sedex platform (see hereinafter). An expert, multi-criteria filter (including the Global Slavery Index and Transparency International) made a first cut, and then the purchasing teams in each category made a second cut based on their knowledge of local risks.' [Danone Registration Document, 31/12/2017 &amp; 2019 Universal Registration Document, 19/03/2020: <a href="http://danone.com">danone.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Met: Ongoing global risk identification: As indicated above, the Company reports on the steps taken at least in 2017 and 2018 in relation to risk and impact identification and assessment. [Danone Registration Document, 31/12/2017 &amp; Registration Document 2018, 3/2019: <a href="http://danone.com">danone.com</a>]</li> <li>• Met: In consultation with stakeholders: Danone developed the Plan taking into account inputs from its stakeholder dialogue. Stakeholders engaged with include trade associations and civil society. The Company describes its partnership with the Ellen MacArthur Foundation for circular economy and their joining of the Global Deal Initiative for Decent Work. The Global Deal Initiative is a global partnership with the objective of jointly addressing the challenges in the global labour market. [Registration Document 2018, 3/2019: <a href="http://danone.com">danone.com</a> &amp; Danone Registration Document, 31/12/2017]</li> <li>• Not met: In consultation with HR experts</li> <li>• Not met: Triggered by new circumstances</li> <li>• Not met: Explains use of HRIAs or ESIA (inc HR)</li> </ul>
B.2.2	Assessing: Assessment of risks and impacts identified (salient risks and key industry risks)	2	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: Salient risk assessment (and context): The Company completed risk mapping done in 2017 on the 20 most exposed categories of procurements. The Company has identified its human rights risks through a materiality matrix and Vigilance Plan that covers respect for human right for its own and its suppliers business. The 2018 Registration document contains a figure describing risk mapping and risk mapping evaluation procedures for company's activities and activities of suppliers and sub-contractors. It includes geographical factors and product considerations, among others. [Danone Registration Document, 31/12/2017 &amp; Registration Document 2018, 3/2019: <a href="http://danone.com">danone.com</a>]</li> <li>• Met: Public disclosure of salient risks: Thanks to a joint effort by the Sustainability Integration Department and the Strategy and Risks Department, the Company was able to identify in 2018 its top 13 sustainability risks. The top non-financial risks include responsible sourcing and human rights. The Company also indicates that, human rights risk in the supply chain includes, in particular, working conditions, health and safety of farm workers or even forced or child labour. 'From the whole value chain perspective, challenges related to trading and pricing practices may also lead to risks related to human rights'. [Registration Document 2018, 3/2019: <a href="http://danone.com">danone.com</a> &amp; Danone Registration Document, 31/12/2017]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Met: Both requirements under score 1 met: See above</li> </ul>
B.2.3	Integrating and Acting: Integrating assessment findings internally and taking appropriate action	2	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: Action Plans to mitigate risks: As part of the vigilance plan the Company discloses in a chart the actions of risk mitigation and prevention following the risk mapping. Actions cover both own operations and suppliers and subcontractors and include a number of measures (although they are not directly linked to any specific human right risk are consistently applied for mitigation) including Union agreements, policy development, traceability initiatives, audits, water assessments, and a number of programmes and action plans. [Registration Document 2018, 3/2019: <a href="http://danone.com">danone.com</a>]</li> <li>• Met: Including in AG supply chain: See above. The Company implements the 'RESPECT program' to implement responsible purchasing due diligence in direct suppliers for categories different than raw milk, to reduce the risk of human rights violations. 'Danone is moving its RESPECT policy towards a more comprehensive due diligence approach and stepping up its human rights requirements. This new approach is inspired by the United Nations Guiding Principles. [Registration Document 2018, 3/2019: <a href="http://danone.com">danone.com</a>]</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<ul style="list-style-type: none"> <li>• Met: Example of Actions decided: The Company references the agreements signed between Danone and the IUF (International Union of Food Workers) including diversity, social dialogue, fighting discrimination, procedures for consulting employee representatives in the event of business changes affecting employment, health, safety, working conditions and stress, etc.) [Registration Document 2018, 3/2019: <a href="http://danone.com">danone.com</a>]</li> </ul> Score 2
B.2.4	Tracking: Monitoring and evaluating the effectiveness of actions to respond to human rights risks and impacts	1	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>• Met: System to check if Actions are effective: The Company Vigilance Plan covers how the company monitors, measures and assesses the efficiency of their actions for human rights and fundamental freedoms and personal health and safety. This includes assessing results tracked under Danone Way for company's own operations, tracking of indicators, Tracking 'RESPECT program indicators', Audits to measure the effectiveness of WISE program [Work in a safe Environment], etc. [Registration Document 2018, 3/2019: <a href="http://danone.com">danone.com</a>]</li> <li>• Not met: Lessons learnt from checking effectiveness: The Company discloses data relating to critical non-conformities found via auditing the supply chain. However, no details found of specific lessons learnt from checking the effectiveness of actions to respond to human rights risks and impacts. [2019 Universal Registration Document, 19/03/2020: <a href="http://danone.com">danone.com</a>]</li> </ul> Score 2 <ul style="list-style-type: none"> <li>• Not met: Both requirement under score 1 met</li> </ul>
B.2.5	Communicating : Accounting for how human rights impacts are addressed	0.5	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>• Met: Comms plan re identifying risks: See indicator B.2.1. The Company carries out a global risk identification and assessment process that includes both its own operations and business partners, and describes at least some features of the process.</li> <li>• Met: Comms plan re assessing risks: See indicator B.2.2</li> <li>• Met: Comms plan re action plans for risks: See indicator B.2.3 [Danone Registration Document, 31/12/2017]</li> <li>• Not met: Comms plan re reviewing action plans: In order to be awarded this indicator, the Company has to achieve a full score in B.2.4</li> <li>• Not met: Including AG suppliers: In order to be awarded this indicator, the Company has to achieve a full score in B.2.2/B.2.3/B.2.4 and at least 1,5 points in B.2.1</li> </ul> Score 2 <ul style="list-style-type: none"> <li>• Not met: Responding to affected stakeholders concerns</li> <li>• Not met: Ensuring affected stakeholders can access communications</li> </ul>

## Remedies and Grievance Mechanisms

Indicator Code	Indicator name	Score (out of 2)	Explanation
C.1	Grievance channel(s)/mechanism(s) to receive complaints or concerns from workers	2	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>• Met: Channel accessible to all workers: The Vigilance Plan makes indicates that human rights grievances can be made through the Danone Ethics Line and which clarifies that also applies to suppliers. The Danone Ethics Line is available to 'anyone concerned about potential misconduct, non-compliance with our policies, applicable codes of practice or potential violations of laws and regulations to seek help; ask for advice or raise a concern.' The Danone Code of Business Conduct for Business Partners states that a business partner can report any concerns at the Danone Ethics Line. [Registration Document 2018, 3/2019: <a href="http://danone.com">danone.com</a> &amp; Danone Ethics Line, N/A: <a href="http://bkms-system.net">bkms-system.net</a>]</li> </ul> Score 2 <ul style="list-style-type: none"> <li>• Met: Number grievances filed, addressed or resolved: 'In 2019, 20 reports were made at the global level in the "human rights" category. This category includes violations in the areas of child labor, forced labor, right to collective bargaining, working time and wages. The category is selected by the whistleblower, and the reports received in 2019 focused on routine human resources matters. None of them qualified as a human rights violation, but all have been or are being pursued in thorough internal investigations'. [2019 Universal Registration Document, 19/03/2020: <a href="http://danone.com">danone.com</a>]</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<ul style="list-style-type: none"> <li>• Met: Channel is available in all appropriate languages: The Danone Ethics Line is available in fourteen different languages. These include languages such as Bahasa Indonesia, Bahasa Malaya and Polish. [Danone Ethics Line, N/A: <a href="http://bkms-system.net">bkms-system.net</a>]</li> <li>• Met: Opens own system to AG supplier workers: The Danone Ethics Line is available to 'anyone concerned about potential misconduct, non-compliance with our policies, applicable codes of practice or potential violations of laws and regulations to seek help; ask for advice or raise a concern.' [Danone Ethics Line, N/A: <a href="http://bkms-system.net">bkms-system.net</a>]</li> </ul>
C.2	Grievance channel(s)/mechanism(s) to receive complaints or concerns from external individuals and communities	2	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: Grievance mechanism for community: 'Anyone' can submit a human rights grievance to the Danone Ethics Line. When submitting a grievance online they have the option to select 'human rights violation including child labour, forced labour, right to collective bargaining, working time, wages.' There is an information box which provides further details to highlight what is considered a human rights grievance. [Danone Ethics Line, N/A: <a href="http://bkms-system.net">bkms-system.net</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Met: Describes accessibility and local languages: The Danone Ethics Line is available in fourteen different languages. These include languages such as Bahasa Indonesia, Bahasa Melayu and Polish. There is also an option to select from over 200 countries. [Danone Ethics Line, N/A: <a href="http://bkms-system.net">bkms-system.net</a>]</li> <li>• Met: AG supplier communities use global system: The Vigilance Plan makes indicates that human rights grievances can be made through the Danone Ethics Line and which clarifies that also applies to suppliers. The Danone Ethics Line is available to 'anyone concerned about potential misconduct, non-compliance with our policies, applicable codes of practice or potential violations of laws and regulations to seek help; ask for advice or raise a concern.' The Danone Code of Business Conduct for Business Partners states that a business partner can report any concerns at the Danone Ethics Line. [Danone Ethics Line, N/A: <a href="http://bkms-system.net">bkms-system.net</a>]</li> </ul>
C.7	Remedying adverse impacts and incorporating lessons learned	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Not met: Describes how remedy has been provided</li> <li>• Not met: Says how it would remedy key sector risks</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Changes introduced to stop repetition</li> <li>• Not met: Approach to learning from incident to prevent future impacts</li> <li>• Not met: Evaluation of the channel/mechanism</li> </ul>

## Performance: Responses to Serious Allegations (Not included in the overall score)

Indicator Code	Indicator name	Score (out of 2)	Explanation
E(1).0	Serious allegation No 1		<ul style="list-style-type: none"> <li>• <b>Headline:</b> Danone and Dairy Partners Americas Brasil criticized for complicity in forced labor in Brazil</li> <li>• <b>Area:</b> Forced Labour</li> <li>• <b>Story:</b> A Brazilian official inspection accused Danone and DPA (a joint venture between New-Zealand company Fonterra and Nestle) are accused of being complicit with a businessman who kept 28 people in debt bondage, because their affiliated distributors sold him their products in bulk without monitoring working conditions at his operation.</li> </ul> <p>The door-to-door salesmen had been trafficked from poor regions of the state of Ceará, and made to sell soon-to-be-expired yoghurt at a discount in the city of Salto, in the state of Sao Paulo.</p> <p>“Many workers arrived already in debt due to the cost of travel,” said Luis Alexandre Faria, the labor inspector that coordinated operations on the ground.</p> <p>“They sometimes worked over 15 hours in extreme heat, cold or rain.”</p> <p>While Danone and DPA were not directly involved, inspectors want to hold them accountable for not monitoring their distribution chain.</p> <p>Danone Brasil, maker of products like Activia and Evian water, denied having any relationship with the businessman, and said it will fight the claim that they were complicit.</p> <p>“The company emphasizes that it has worked in partnership with the Labor Secretariat to spread the company’s best practices and to be an active agent against all forms of slave labor among the more than 10,000 businesses that are part of the complex supply chain that distributes its products,” the company said in an email.</p> <p>DPA, a joint venture between New-Zealand company Fonterra and Nestle that sells refrigerated products, also said it did nothing wrong.</p> <ul style="list-style-type: none"> <li>• <b>Sources:</b> [Reuters - 06/02/2019: <a href="https://www.reuters.com">reuters.com</a>]</li> </ul>
E(1).1	The Company has responded publicly to the allegation	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• <b>Met:</b> Public response available: The Company denied having any relationship with the businessman accused of forced labor, and debt bondage. In addition, Danone stated that will fight the claim that they were complicit. [Reuters, 06/02/2019: <a href="https://www.reuters.com">reuters.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• <b>Not met:</b> Response goes into detail: Although the Company discloses that 'it has worked in partnership with the Labor Secretariat to spread the company’s best practices and to be an active agent against all forms of slave labor among the more than 10,000 businesses that are part of the complex supply chain that distributes its products', there is no further detail provided by the Company about the case. [Reuters, 06/02/2019: <a href="https://www.reuters.com">reuters.com</a>]</li> </ul>
E(1).2	The Company has appropriate policies in place	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• <b>Met:</b> Company policies address the general issues raised: The Company Code of Business Conduct states 'We respect the human rights of our employees as set out in fundamental conventions of the International Labour Organisation, including the right to freedom of association.[...] We are committed to providing fair remuneration and working hours, with a healthy work-life balance. We will not tolerate violence, bullying, harassment, discrimination or any form of forced, bonded or child labor. We welcome diversity and encourage open communication and dialogue between employees and managers, a key part of our entrepreneurial spirit.' [Danone Business Code of Conduct, 20/01/2016: <a href="https://www.danone.com">danone.com</a>]</li> <li>• <b>Met:</b> Policies apply to the type of business relationships involved: The Company has a Code of Business Conduct for Business Partners which extends to Human Rights (covering fundamental ILOs): 'Business Partners are expected to protect and promote the human rights of their employees. We expect them to be fair employers and to respect international labor standards, including the core conventions of the International Labor Organization and legislation prohibiting slavery and human trafficking.' In addition, in its Sustainability Principles for Business Partners, the Company includes specific provisions for each one of the ILO Core. With respect freedom of association and collective bargaining, it states: 'The Business Partner recognizes and respects employees' freedom of association and their right to freely choose their representatives. The Business Partner also recognizes employees' right to collective bargaining. The Business Partner ensures that employee representatives do not suffer any discrimination'. [Code of Conduct for Business Partners, 2018: <a href="https://www.danone.com">danone.com</a> &amp; Danone Sustainability Principles for Business Partners, 27/07/2018: <a href="https://www.danone.com">danone.com</a>]</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Policies address the specific rights in question: The Danone's Sustainability Principles for Business Partners have been update in 2018 to include the 3 CGF Priority Industry Principles. The Company refers to the three following principles: <ul style="list-style-type: none"> <li>• Every worker should have freedom of movement; Every worker should have freedom of movement and freedom to leave employment subject to normal contractual provisions. The ability of workers to move freely should not be restricted by the Business Partner through physical restriction (confinement) abuse, practices such as retention of passports and valuable possessions, threat of reporting illegal workers to the authorities or the menace of any form of penalties.</li> <li>• No worker should pay for a job; Fees and cost associated with recruitment and employment should be paid by the employer, not the employee (Employer Pays Principle)</li> <li>• No worker should be indebted or coerced to work. Workers should work freely, aware of the terms and conditions of their work in advance, and paid regularly as agreed. No worker should be indebted to work as a result of excessive recruitment fees, unauthorized deductions from wages, disciplinary measures, fines or inflated prices for company goods, tools or uniforms.</li> </ul> </li> </ul> <p>Also, regarding working hours, the Company states that 'The Business Partner must ensure that national applicable legal restrictions on working hours, including overtime, are complied with. Employees have at least one (1) day off each week, apart from exceptional circumstances and for a limited period'. However, to comply with 'national applicable restriction on working hours' is not enough evidence, the Company must explicitly asks for its business partners to comply with the commit to respecting the ILO conventions on labour standards on working hours. [Danone Sustainability Principles for Business Partners, 27/07/2018: <a href="http://danone.com">danone.com</a>]</p>
E(1).3	The Company has taken appropriate action	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Not met: Engages with affected stakeholders</li> <li>• Not met: Encourages linked business to engage affected stakeholders</li> <li>• Not met: Provides remedies to affected stakeholders</li> <li>• Not met: Has reviewed management systems to prevent recurrence</li> <li>• Not met: Denies allegations, but has engaged affected stakeholders</li> <li>• Not met: Denies allegations, but reviewed systems to prevent such impacts</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Remedies are satisfactory to the victims</li> <li>• Not met: Has improved systems and engaged affected stakeholders</li> <li>• Not met: Denies allegations, but implements review recommendations</li> <li>• Not met: Denies allegations, and ensures systems prevent such impacts</li> </ul>

## Disclaimer

A score of zero for a particular indicator does not mean that bad practices are present. Rather it means that we have been unable to identify the required information in public documentation.

See the 2020 Key Findings report and the 2019 technical annex for more details of the research process.

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