

Company Name Danone
Industry Agricultural Products (Supply Chain only)
Overall Score 27.7 out of 100

| Theme Score | Out of | For Theme |
|-------------|--------|---|
| 4.5 | 10 | A. Governance and Policies |
| 10.5 | 25 | B. Embedding Respect and Human Rights Due Diligence |
| 6.0 | 20 | C. Remedies and Grievance Mechanisms |
| 5.4 | 25 | D. Performance: Company Human Rights Practices |
| 1.3 | 20 | E. Performance: Responses to Serious Allegations |

Please note that any small differences between the Overall Score and the added total of Measurement Theme scores are due to rounding the numbers at different stages of the score calculation process.

Please note also 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 2022 Methodology document for the sector concerned. 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

A. Governance and Policies (10% of Total)

A.1 Policy Commitments (5% of Total)

| Indicator Code | Indicator name | Score (out of 2) | Explanation |
|----------------|---|------------------|--|
| A.1.1 | Commitment to respect human rights | 2 | The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> Met: General HRs commitment: The Code of Business Conduct reads: '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'. [Code of Business Conduct, 04/2022: danone.com] Score 2 <ul style="list-style-type: none"> Met: Commitment to the OECD Guidelines for Multinational Enterprises: The Company states in its Sustainable Principles: 'Danone has drafted these 10 Fundamental Social Principles in accordance with internationally recognized standards: [...], the UN Guiding Principles on Business and Human Rights, [...]. Danone also upholds the OECD Guidelines for Multinational Enterprises.' [Sustainability Principles - Implementation Note for Danone and Employees, 06/2022: danone.com] |
| A.1.2.a | Commitment to respect the human rights of workers: ILO Declaration on Fundamental Principles and Rights at Work | 2 | The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> Met: Company has a commitment to the 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'. [Code of Business Conduct, 04/2022: danone.com] & [Danone/IUF Agreement on Sustainable Employment and Access to Rights, 03/2016: iuf.org] Met: Company has a 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, |

| Indicator Code | Indicator name | Score (out of 2) | Explanation |
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| | | | <p>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.' [Code of Business Conduct, 04/2022: danone.com]</p> <p>Score 2</p> <ul style="list-style-type: none"> • Met: Company expect suppliers to commit to ILO Core: The Company indicates: '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'. [Code of Conduct for Business Partners, 2020: danone.com] • Met: Company explicitly list All four ILO for suppliers: In the Sustainability Principles for Business Partners (apply to all Danone 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'. [Danone Sustainability Principles for Business Partners, 27/07/2018: danone.com] |
| A.1.2.b | Commitment to respect the human rights of workers: Health and safety and working hours | 0.5 | <p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Commitment to respect H&S of workers: The Code states that '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. [Code of Business Conduct, 04/2022: danone.com] • Not Met: Respect ILO labour standards on working hours or Commits to 48 hours regular work week: The Company also indicates: 'We are committed to providing fair remuneration and working hours, with a healthy work-life balance'. However, no evidence found of the Company explicitly committing to respect ILO conventions on working hours or that publicly states that workers are not required to work more than 48 hours as regular working week, and that overtime is consensual and paid at a premium rate. [Code of Business Conduct, 04/2022: danone.com] <p>Score 2</p> <ul style="list-style-type: none"> • Met: Expect suppliers to commit to H&S of their workers: The Company has a Code of Business Conduct for Business Partners which extends to Human Rights (covering health and safety through ILO 5). [Code of Conduct for Business Partners, 2020: danone.com] • Not Met: Expect suppliers to commit to ILO labour standard or to 48 hours regular work week: The Company indicates in its Code of Conduct for Business Partners: '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, no formal commitment about respecting the ILO conventions on working hours was found. Alternatively, the Company would achieve this by committing to a 48 hours regular working week, and consensual overtime paid at a premium rate. [Code of Conduct for Business Partners, 2020: danone.com] |
| A.1.3.a.AG | Commitment to respect human rights particularly relevant to the industry – land, natural resources and indigenous peoples' rights (AG) | 0.5 | <p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Respect land ownership and natural resources as set out in VGGT: The Company states in its Sustainable Principles: 'Danone has drafted these 10 Fundamental Social Principles in accordance with internationally recognized standards: [...], the FAO Voluntary Guidelines on the Responsible Governance of Tenure of Land, Fisheries and Forests (VGGT), [...]' [Sustainability Principles - Implementation Note for Danone and Employees, 06/2022: danone.com] • Not Met: Respecting indigenous peoples' rights or ILO Convention No.169 or UN Declaration [Palm Oil Policy (updated 2018), 2018: danone.com] • Not Met: Expecting suppliers to make these commitments: The Company's Sustainability Principles - Implementation Notes for Business Partners reads: 'These Danone Sustainability Principles, hereinafter referred to as the "DSP", establish the standards for Danone and its partners, including suppliers, distributors and all other third parties, hereinafter referred to as "the Company". [...] Danone has drafted these 10 Fundamental Social Principles in accordance with internationally recognized standards: [...], the FAO Voluntary Guidelines on the Responsible Governance of Tenure of Land, Fisheries and Forests (VGGT), [...]' However, no |

| Indicator Code | Indicator name | Score (out of 2) | Explanation |
|----------------|---|------------------|---|
| | | | <p>provision to respect indigenous people rights was found. [Sustainability Principles - Implementation Note for Business Partners, 06/2022: danone.com]</p> <p>Score 2</p> <ul style="list-style-type: none"> • Met: Respecting the right to water: The Company states in its Sustainable Principles: 'Danone has drafted these 10 Fundamental Social Principles in accordance with internationally recognized standards: [...], the UN Human Right to Water and Sanitation, [...] In line with Danone's Water Policy, the Company is expected to adopt a water strategy which aligns with: preserving water resources, driving water circularity (reduce, reuse, recycle) and ensuring operations do not negatively affect access to safe potable water for the community'. [Sustainability Principles - Implementation Note for Danone and Employees, 06/2022: danone.com] • Met: Company's policy commits to obtain FPIC: It also states: 'The Company will ensure the rights and title to property and land of the individual, indigenous people and local communities are respected. All negotiations with regard to their property or land, including the use of and transfers of it, adhere to the principles of free, prior, and informed consent (FPIC), contract transparency and disclosure'. [Sustainability Principles - Implementation Note for Danone and Employees, 06/2022: danone.com] • Met: Expecting suppliers to make these commitments : The Company's Sustainability Principles - Implementation Notes for Business Partners reads: 'These Danone Sustainability Principles, hereinafter referred to as the "DSP", establish the standards for Danone and its partners, including suppliers, distributors and all other third parties, hereinafter referred to as "the Company". [...] The Company will ensure the rights and title to property and land of the individual, indigenous people and local communities are respected. All negotiations with regard to their property or land, including the use of and transfers of it, adhere to the principles of free, prior, and informed consent (FPIC), contract transparency and disclosure. [...] Danone has drafted these 10 Fundamental Social Principles in accordance with internationally recognized standards: [...], the UN Human Right to Water and Sanitation, [...] In line with Danone's Water Policy, the Company is expected to adopt a water strategy which aligns with: preserving water resources, driving water circularity (reduce, reuse, recycle) and ensuring operations do not negatively affect access to safe potable water for the community.' [Sustainability Principles - Implementation Note for Business Partners, 06/2022: danone.com] |
| A.1.3.b.AG | Commitment to respect human rights particularly relevant to the industry – vulnerable groups (AG) | 0.5 | <p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Women's rights: The Company has a policy booklet on Women's Empowerment. The Company has a Danone Ecosystem Fund which works to promote issues of Women's Empowerment, and the Company is signatory to the Women Empowerment Principles. In addition, in its Sustainability Principles, it states: 'Danone has drafted these 10 Fundamental Social Principles in accordance with internationally recognized standards: [...] the UN Women's Empowerment Principles, the UN Human Right to Water and Sanitation, the Children's Rights [...]'. [Sustainability Principles - Implementation Note for Danone and Employees, 06/2022: danone.com] & [Women's Empowerment Principles: Companies, N/A: weps.org] • Not Met: Expects suppliers to respect at least one of these rights [Danone Sustainability Principles for Business Partners, 27/07/2018: danone.com] & [Sustainability Principles - Implementation Note for Business Partners, 06/2022: danone.com] <p>Score 2</p> <ul style="list-style-type: none"> • Met: CEDAW/Women's Empowerment Principles: See above. Danone has signed the Women's Empowerment Principles. [Women's Empowerment Principles: Companies, N/A: weps.org] • Not Met: Expecting suppliers to respect these rights |
| A.1.4 | 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"> • Not Met: The Company commits to remedy: The Company states in its Sustainability Principles: 'If any of the Danone Sustainability Principles commitments are suspected to be breached, Danone will appropriately investigate all cases and when breaches are found, a timebound corrective action plan to resolve the failure effectively and promptly should be put in place. Danone is committed to working to support any necessary improvements in line with the UN Guiding Principles, if through our business operations we have caused or contributed to a negative human right and/or environmental impact.' However, no statement committing to provide remedy or reparation to victims was found. [Sustainability Principles - Implementation Note for Danone and Employees, 06/2022: danone.com] |

| Indicator Code | Indicator name | Score (out of 2) | Explanation |
|----------------|--|------------------|---|
| | | | <ul style="list-style-type: none"> • Not Met: Company expect suppliers to make this commitment: Similarly, in its Sustainability Principles - Implementation notes for Business partners, it indicates: 'If any of Danone Sustainability Principles commitments are found to be breached, the Business Partner will be expected to implement a corrective action plan and timeline to resolve the failure effectively and promptly. Where requested by Danone, the Business Partner shall meet and discuss the reasons leading to the breach. Danone is committed to working with the Business Partner to support any necessary improvements in line with the UN Guiding Principles, if through our business operations we have caused or contributed to a negative human right and/or environmental impact. If we then believe there is both commitment from the Business Partner to avoid a recurrence, and the capacity to do so, we will continue to work with them providing the breaches do not continue to reoccur. On the rare occasions that we do not believe the Business Partner is committed to remediation, Danone will take appropriate action, which may involve cancelling purchase orders and ceasing to trade in accordance with our contracted terms'. However, no requirement to commit to provide remedy to victims was found. [Sustainability Principles - Implentation Note for Business Partners, 06/2022: danone.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Collaborating with other remedy initiatives • Not Met: Work with suppliers to remedy impact |
| A.1.5 | Commitment to respect the rights of human rights defenders | 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"> • Met: Zero tolerance attacks on HRs Defenders (HRDs): The Company states in its Sustainability Principles - Implementation notes for Danone and employees: 'Danone has a zero tolerance on attacks on Human Rights Defenders and expects its business partners to adopt the same approach and cascade this to their suppliers.' [Sustainability Principles - Implentation Note for Danone and Employees, 06/2022: danone.com] • Met: Company expect suppliers to make this commitment: See above. In addition, in its Sustainability Principles - Implementation notes for Business partners it indicates: 'Danone has a zero tolerance on attacks on Human Rights Defenders and expects its business partners to adopt the same approach and cascade this to their suppliers'. [Sustainability Principles - Implentation Note for Business Partners, 06/2022: danone.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Work with HRD to create safe and enabling environment |

A.2 Policy Commitments (5% of Total)

| Indicator Code | Indicator name | Score (out of 2) | Explanation |
|----------------|-------------------------|------------------|---|
| A.2.1 | Commitment from the top | 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"> • Met: Board level responsibility for HRs: The Company indicates that 'The Engagement Committee has the following responsibilities: monitoring the roll-out of policies, commitments and initiatives implemented by Danone as part of its 2030 Goals, notably in the health, environment, human resources, [...], maintain a dialogue with employees and their representatives by consulting with them on the company's progress toward the 2030 Goals and by reporting to them on the discussions held by the Board on the long-term deployment of the "One Planet, One Health" company vision and the company's progress toward the 2030 Goals;' Human Rights is included in the 'One Planet, One Health' strategy (p. 148) [Universal Registration Document 2020, 2021: integrated-annual-report-2020.danone.com] & [Governance, N/A: danone.com] |

| Indicator Code | Indicator name | Score (out of 2) | Explanation |
|----------------|---------------------------------------|------------------|---|
| | | | <ul style="list-style-type: none"> • Met: Describe HR expertise of Board member: Danone has described HR expertise of Board members in URD 2021, as following examples: FRÉDÉRIC BOUTEBBA, Director representing employees, description: 'In 2006, he changed course and began to represent and defend employees' interests, joining various employee representative bodies both at the head office of Danone Eaux France S.A.E.M.E. and at the national level. [...] CÉCILE CABANIS, Non-independent Director, description: 'Since 2018, she ... to accelerate their initiatives on behalf of the climate and the most vulnerable populations. [...] In September 2021, she joined Tikehau Capital as Deputy Chief Executive Officer in charge of the Human Capital, ESG/CSR, Communications and Brand Marketing functions.' Michel LANDEL, Independent Director, description: 'received numerous awards for his efforts on behalf of diversity and inclusion.... In 2016, at the United Nations annual meeting on women's empowerment principles, he received the CEO Leadership Award.' BETTINA THEISSIG, Director representing employees, description: 'In 2002, her unwavering interest in the condition of employees and the protection of their rights... She has also represented employees with disabilities since 1998'. [Universal Registration Document 2021, 2022: danone.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Speeches/letters by Board members or CEO: Emmanuel Faber, Chairman and CEO of Danone until March 2021 published an article 'An initiative to put inclusive growth at the heart of tomorrow's society', on July 11, 2019 on LinkedIn, which indicated: 'A coalition of multinational companies, relevant through their territorial and social footprints, who will engage with three important areas of inclusive growth: human rights, diversity at work and sharing inclusive value throughout the supply chain. [...] The coalition will be at the cutting-edge of new inclusive growth models, and will establish high-level dialogue with global policy decision-makers to progress on the topics mentioned above.' However, it is not clear whether this article is written in first person or CEO of the Company. [An initiative to put inclusive growth at the heart of tomorrow's society - LinkedIn, 2019: linkedin.com] |
| A.2.2 | Board responsibility | 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"> • Met: Board/Committee review HRs strategy: The Engagement Committee responsibilities include monitoring the roll-out of policies, commitments and initiatives implemented by Danone as part of its 2030 Goals, notably in the health, environment, human resources, [...] maintain a dialogue with employees and their representatives by consulting with them on the company's progress toward the 2030 Goals and by reporting to them on the discussions held by the Board on the long-term deployment of the "One Planet, One Health" company vision and the company's progress toward the 2030 Goals;' Human Rights is included in the 'One Planet, One Health' strategy (p. 148). It receives reports from Personal Ethics Commission (which promotes respect and prevents issues related to discrimination and harassment, and review Ethics Line performance). It held five meetings in 2020. [Universal Registration Document 2020, 2021: integrated-annual-report-2020.danone.com] • Met: Examples/trends re HR discussion in the last reporting period: The work of the Engagement Committee in 2020 included: 'annual review of Danone's policy in terms of professional equality and equal pay for men and women and with respect to inclusion and diversity; update on due diligence with respect to human rights;' [Universal Registration Document 2020, 2021: integrated-annual-report-2020.danone.com] <p>Score 2</p> <ul style="list-style-type: none"> • Met: Meets both requirements under score 1 • Met: How affected stakeholders/HR experts informed discussions: The Company indicates that 'the Board of Directors' Engagement Committee, which monitors the implementation of action plans and initiatives, is regularly updated on any Social Dialogue topics [...] In 2021, the Engagement Committee held five meetings, including one in which the 26 volunteers representing Danone's 100,000 employees under the "One Person, One Voice, One Share" program participated by videoconference. A report on each Engagement Committee meeting is presented at the Board of Directors' meeting and the meeting minutes are sent to the Directors, thereby enabling the Board to be fully informed of the issues related to social and environmental responsibility and facilitating its work and proceedings'. [Universal Registration Document 2021, 2022: danone.com] |
| A.2.3 | Incentives and performance management | 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"> • Not Met: Incentives for at least one board member: The Company indicates that it 'selected four of its 2030 Company Goals as its Mission Objectives and |

| Indicator Code | Indicator name | Score (out of 2) | Explanation |
|----------------|-----------------------------------|------------------|--|
| | | | <p>integrated them into its by-laws: [...]; preserve and renew the planet's resources, by supporting regenerative agriculture, protecting the water cycle and strengthening the circular economy of packaging, across its entire ecosystem, in order to contribute to the fight against climate change; [...] 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. Danone has appointed a Mission Committee to monitor the Company's progress toward its Mission Objectives and has defined short term key performance indicators and targets to enable independent third party to verify the Company's progress. [...] RESPECT KPI1 measures the supplier registration rate on Sedex or Ecovadis platform: it reached 98% of in scope suppliers in 2021; RESPECT KPI2 measures the annual audit plan completion: 91% of SMETA audits planned were completed in 2021; RESPECT KPI3 measures the audit closure rate: 82% of audits that identified critical non-conformities (being commissioned by Danone on by peers on common suppliers) have been closed in the expected timeline. Audits that have not been closed continue to be monitored. In most cases, critical non-conformities were related to health & safety, working hours and compensation. These RESPECT indicators are included in the calculation of the variable compensation of some purchasing teams and the RESPECT team, including for their managers' However, it is not clear whether this mechanism applies to Board members. The Company has provided additional comment/source to CHRB regarding this indicator. However, this document or its content has not been found in publicly available sources. [Universal Registration Document 2021, 2022: danone.com] & [Goals by 2030: danone.com]</p> <ul style="list-style-type: none"> • Not Met: At least one key HR risk, beyond employee H&S <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Performance criteria made public • Not Met: Review of other board performance criteria |
| A.2.4 | Business model strategy and risks | 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"> • Not Met: Board process to review business model and strategy: The Company reports in its Universal Registration document 2021: 'In 2020, Danone took another step forward by becoming the first listed company to adopt the Enterprise à Mission model. It also selected four of its 2030 Company Goals as its Mission Objectives and integrated them into its by-laws: impact people's health locally, [...]; preserve and renew the planet's resources, by supporting regenerative agriculture, protecting the water cycle and strengthening the circular economy of packaging,[...]; 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. Danone has appointed a Mission Committee to monitor the Company's progress toward its Mission Objectives and has defined short term key performance indicators and targets to enable independent third party to verify the Company's progress toward its Mission Objectives from the start of the journey. In 2021, the Company began engaging the Mission Committee, Danone's management and experts to set its 2025 ambition' However, it is not clear the role of human rights in its 2030 Goals and how can they affect a business model discussion/review. [Universal Registration Document 2021, 2022: danone.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Describe frequency and triggers for reviewing • Not Met: Meets both requirements under score 1 • Not Met: Example of actions decided |

B. Embedding Respect and Human Rights Due Diligence (25% of Total)

B.1 Embedding Respect for Human Rights in Company Culture and Management Systems (10% of Total)

| Indicator Code | Indicator name | Score (out of 2) | Explanation |
|----------------|--|------------------|--|
| B.1.1 | Responsibility and resources for day-to-day human rights functions | 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"> • Met: Score of 1 on A.1.2.a: See indicator A.1.2.a |

| Indicator Code | Indicator name | Score (out of 2) | Explanation |
|----------------|---------------------------------------|------------------|--|
| | | | <ul style="list-style-type: none"> • Met: Senior responsibility for HR implementation and decision making: With respect the governance established to support the Company's One Planet, One Health (OPOH) frame of action (that includes human rights), the Company indicates: 'OPOH Integration team: As part of the General Secretary, work closely with the communications and public affairs teams; Work with its internal and external stakeholders to advance, monitor and report on Danone's sustainability performance; Oversee global B Corp™ certification through a continuous improvement process.' [Universal Registration Document 2020, 2021: integrated-annual-report-2020.danone.com] <p>Score 2</p> <ul style="list-style-type: none"> • Met: How it assigns Day-to-day responsibility: In addition, it indicates: 'Expert teams (including corporate and Reporting Entity OPOH experts): Environmental, social, and health and nutrition teams working to advance specific Company goals and commitments and to monitor their progress toward achieving them; Sustainability teams, operating within the Reporting Entities and responsible for the connection with the brand agendas. Local OPOH representatives' network: Coordinate Danone's sustainability strategy at the regional and local levels; Lead the local rollout of the Danone Way program and B Corp™ certification and support the global sustainability audits process.' [Universal Registration Document 2020, 2021: integrated-annual-report-2020.danone.com] • Not Met: Day-to-day resources and expertise allocation in own ops: The Company indicates in its URD 2021: 'Sustainability permeates Danone's entire organization, thus, all departments support the sustainability ambition and journey through their specific fields of expertise. Danone has put in place a sustainability governance structure to ensure global consistency and efficient decision-making in all aspects of sustainability, as described below. [...] Global and local sustainability teams [...] Expert teams (including corporate and Reporting Entity OPOH experts): environmental, social, and health and nutrition teams working to advance specific Company Goals and commitments and to monitor the progress toward achieving them; sustainability teams, operating within the Reporting Entities and responsible for the connection with the brand agendas' However, no further information including human rights expertise/perspective. [Universal Registration Document 2021, 2022: danone.com] • Met: Resources and expertise allocation in the supply chain: In addition, it reports: 'In 2021, Danone's responsible sourcing approach is sponsored by the Chief Cycles & Procurement Officer, with specific teams in charge of monitoring the related Company's agenda: [...] The Nature & Water Cycle, monitoring the compliance with the responsible sourcing and human rights programs, in collaboration with procurement teams in charge of the implementation'. [Universal Registration Document 2021, 2022: danone.com] |
| B.1.2 | Incentives and performance management | 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"> • Not Met: Senior manager incentives for human rights: According its Universal Registration Document 2021: 'In 2020, Danone took another step forward by becoming the first listed company to adopt the Entreprise à Mission model. It also selected four of its 2030 Company Goals as its Mission Objectives and integrated them into its by-laws: impact people's health locally, [...]; preserve and renew the planet's resources, [...]; entrust Danone's people to create new futures: building on a unique social innovation heritage, give each employee the opportunity to impact the decisions of the Company, [...]; 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. Danone has appointed a Mission Committee to monitor the Company's progress toward its Mission Objectives and has defined short term key performance indicators and targets to enable independent third party to verify the Company's progress. [...] RESPECT KPI1 measures the supplier registration rate on Sedex or Ecovadis platform: it reached 98% of in scope suppliers in 2021; RESPECT KPI2 measures the annual audit plan completion: 91% of SMETA audits planned were completed in 2021; RESPECT KPI3 measures the audit closure rate: 82% of audits that identified critical non-conformities (being commissioned by Danone on by peers on common suppliers) have been closed in the expected timeline. [...] In most cases, critical non-conformities were related to health & safety, working hours and compensation. These RESPECT indicators are included in the calculation of the variable compensation of some purchasing teams and the RESPECT team, including for their managers' However, it is not clear if these apply to Company's senior managers. [Universal Registration Document 2021, 2022: danone.com] • Not Met: At least one key HR risk, beyond employee H&S |

| Indicator Code | Indicator name | Score (out of 2) | Explanation |
|----------------|---|------------------|--|
| | | | <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Performance criteria made public • Not Met: Review of other senior management performance |
| B.1.3 | Integration with enterprise risk management | 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"> • Not Met: HR risks is integrated as part of enterprise risk system: The Company reports in its UR Document 2021: 'has identified three risks linked to sourcing, namely: (i) trading and pricing practices, (ii) responsible sourcing, and (iii) human rights. These risks are detailed below, first through a global section covering the whole supply chain, and then through dedicated due diligence programs tailored to supplier types.' However, this process seems to be linked to due diligence; no reference to human rights was found in the 'Risk factors' section of the UR Document or a description of how the ERM system integrates human rights risks. [Universal Registration Document 2020, 2021: integrated-annual-report-2020.danone.com] • Not Met: Provides an example <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Audit Ctte or independent risk assessment [2019 Universal Registration Document, 19/03/2020: danone.com] |
| B.1.4.a | Communication /dissemination of policy commitment(s) to workers and external 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"> • Met: Score of 1 on A.1.2.a: A.1.2.a • Met: Communicates its policy to all workers in own operations: The Company states that employees are informed about the Code of Business Conduct upon joining and are 'periodically reminded of its principles'. The Company discloses that they communicate best practice rules to subsidiaries, and has integrated the subsidiaries assessments with respect to these rules and practices. The Code of Business Conduct has been translated into 34 languages. [Code of Business Conduct, 04/2022: danone.com] & [2019 Universal Registration Document, 19/03/2020: danone.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Communication of policy commitments to stakeholder • Not Met: How policy commitments are made accessible to audience |
| B.1.4.b | Communication /dissemination of policy commitment(s) to business relationships | 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"> • Met: Meets ILO requirement for suppliers on A.1.2.a: See indicator A.1.2.a • Met: Requires suppliers to communicate policy requirements: The Company indicates that 'The Business Partner guarantees that the Fundamental Social Principles and the Business Ethics Principles or equivalent principles are already in place in its own organization and undertakes to, and shall ensure that its employees, agents, suppliers and sub-contractors comply with them, throughout all stages during the commercial relationship'. In addition, it states: 'These principles are incorporated into a clause in its contracts with direct suppliers. Pursuant to this clause, the supplier warrants that the labor and ethical principles are already in place in its own organization, and that its employees, agents, suppliers and subcontractors comply with these as well'. On the other hand, according to its Sustainability Principles - Implementation Note for Business Partners: 'is the responsibility of the Business Partner to disseminate, educate and exercise due diligence in implementing requirements equivalent or similar to the DSP with their own operations and their supply chain up to origin suppliers of raw materials, and to enforce these standards with their own monitoring programme [...] Each Business Partner guarantees they will comply with the Danone Sustainability Principle at all times and will demonstrate that they are continuously improving beyond minimum requirements. If Danone has approved sub-contracting, the sub-contracted workplaces are expected to meet the Danone Sustainability Principles expectations.' [Danone Sustainability Principles for Business Partners, 27/07/2018: danone.com] & [Sustainability Principles - Implementation Note for Business Partners, 06/2022: danone.com] <p>Score 2</p> <ul style="list-style-type: none"> • Met: How HR commitments made binding/contractual: The Company indicates in its Sustainability Principles for Business Partners: 'Danone expects the Business Partner, its agents and its sub contractors, to be familiar with and comply with all applicable legal and contractual obligations relating to their business activities, including these Ethical Principles.' In addition, in its Sustainability Principles - Implementation Note for Business Partners: 'Acceptance and adherence to the Danone sustainability Principles is understood to be confirmed by the Business Partners when they accept to undertake business with Danone, including signature of a Contract or General Terms and Conditions of Purchase (GTCP) and/or |

| Indicator Code | Indicator name | Score (out of 2) | Explanation |
|----------------|-----------------------------------|------------------|--|
| | | | <p>acceptance of performance of a Purchase Order.' [Danone Sustainability Principles for Business Partners, 27/07/2018: danone.com] & [Sustainability Principles - Implementation Note for Business Partners, 06/2022: danone.com]</p> <ul style="list-style-type: none"> • Met: Company requires suppliers to cascade down to their suppliers: See above. It requires business partners and subcontractors to comply with contractual obligations including 'these Ethical Principles'. [Danone Sustainability Principles for Business Partners, 27/07/2018: danone.com] |
| B.1.5 | Training on 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"> • Met: Scores at least 1 on A.1.2.a: See A.1.2.a • Met: How workers are trained on HR policy commitments: The Company indicates that it 'rolled out a worldwide communication campaign to remind all employees of the importance of the Code of Business Conduct and their obligation to follow it. [...]In addition to the e-learning modules, in-person training is offered at the local level. Priority is given to the businesses deemed to be at highest risk. This approach extends coverage to every Danone employee'. [Universal Registration Document 2020, 2021: integrated-annual-report-2020.danone.com] • Met: Trains relevant managers including procurement: It also states that it 'trains its RESPECT champions and buyers on the RESPECT program and ensures that they are aware of risks related to forced labor and the CGF's three priorities. In 2020, the central team in charge of this program stepped up this training by organizing monthly training webinars and sessions regarding audits. They included more than 327 buyers, champions or purchasing managers, with one-third attending more than one session. In 2020, the RESPECT team also developed e-learning modules that will be part of the buyer skills program. These initiatives significantly strengthened buyers' engagement and fostered discussions about local requirements. They supplement the training module on human rights and forced labor already offered online (see section 5.4 Focus – Respecting and promoting human rights in Danone operations). At the end of 2020, more than 3,500 Danone employees had completed this training'. [Universal Registration Document 2020, 2021: integrated-annual-report-2020.danone.com] <p>Score 2</p> <ul style="list-style-type: none"> • Met: Score of 2 on A.1.2.a: See A.1.2.a • Met: Meets both requirements under score 1 • Not Met: Trains suppliers to meet company's HR commitment • Not Met: Disclose % trained |
| B.1.6 | Monitoring and corrective actions | 0.5 | <p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Scores at least 1 on A.1.2.a: See A.1.2.a • Not Met: Monitoring implementation of HR policy commitments across global ops and supply chain: The Company discloses information regarding their RESPECT program and SEDEX: 'Danone implements responsible procurement due diligence towards its direct suppliers through its RESPECT program and also for the highest-risk agricultural raw materials in its supply chain. The RESPECT program applies to Danone's direct (Tier 1) suppliers in purchasing categories other than raw milk, i.e. processed raw materials such as fruit preparations and powdered milk, packaging, production machinery and transport and other services. [...] Danone tracks its RESPECT program using three indicators that measure (i) suppliers' registration on the Sedex platform (KPI 1), (ii) the audit plan completion rate (KPI 2), and (iii) on-time closure by auditors of audits that identified critical non-conformities (KPI 3).' In addition, in its UR Document 2021, it discloses information of its Regular risk map-based evaluation procedures, that includes: 'Guidelines and internal control referential for risks relating to temporary workers at the subsidiaries; Danone Way self-assessment including a human rights component covering temporary workers at Danone's operations'. It also indicates: 'Danone pledged to develop and deploy Human Rights Due Diligence (HRDD) systems that focus on forced labor in its own operations, with the aim of reaching 100% coverage by 2025, including external workers hired by temporary work agencies or by its subcontractors to carry out regular and continuous work at its entities. In 2021, Danone contributed to the coalition collective work to develop tools and processes necessary to launch the first assessments in 2022.' However, human rights due diligence is evaluated in B.2 indicators. Although the Company is monitoring compliance in supply chain, no evidence found on how it monitors policy compliance in own operations, beyond temporary workers rights. [Universal Registration Document 2020, 2021: integrated-annual-report-2020.danone.com] & [Universal Registration Document 2021, 2022: danone.com] • Not Met: Proportion of supply chain monitored: In addition, it reports: 'At the end of 2021, 3,489 supplier sites were registered on the Sedex or Ecovadis platform vs. |

| Indicator Code | Indicator name | Score (out of 2) | Explanation |
|----------------|---|------------------|--|
| | | | <p>3,891 in 2020 (this drop was mainly due to the change in program approach and the launch of the Ecovadis requirement), and 92% had completed Sedex self-assessment or obtained an Ecovadis scorecard. These 3,489 sites represent 2,540 suppliers corresponding to an estimated 59% of purchase amount (excluding raw milk).¹ However, it is not clear the proportion of supply chain monitored, as it seems part of the chain is excluded from the perimeter. [Universal Registration Document 2021, 2022: danone.com]</p> <ul style="list-style-type: none"> • Not Met: Describe how workers are involved in monitoring <p>Score 2</p> <ul style="list-style-type: none"> • Met: Score of 2 on A.1.2.a: See A.1.2.a • Met: Describes corrective action process: The Company states that 'If any commitment is found to be breached, the Business Partner shall meet at Danone's request and discuss the reasons leading to the breach. The Business Partner shall then envisage and set up corrective actions with an appropriate time schedule to cure the breach of the commitment. If the corrective actions are not implemented to Danone's satisfaction in accordance with the agreed time schedule or if the breach by the Business Partner of any of the Sustainability Principles recurs, Danone shall be entitled to cancel the purchase orders in force and/or to terminate the Contract or the relationship for breach in accordance with its terms'. [Danone Sustainability Principles for Business Partners, 27/07/2018: danone.com] • Met: Disclose findings and number of corrective action: The Company discloses its breakdown of critical non-conformities identified during 2019 and 2020 audits in its UR Document 2020, including the Total number of critical non-conformities identified and Percentage of critical non-conformities related to different issues such as: forced labour, child labour, working hours, etc [Universal Registration Document 2020, 2021: integrated-annual-report-2020.danone.com] |
| B.1.7 | Engaging and terminating business relationships | 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"> • Met: HR affects selection of suppliers: The Company states in its Sustainability Principles for Business Partners: 'The Business Partner shall cooperate with Danone and provide Danone with background accurate and complete information for integrity and compliance screenings (prior and during the selection, contracting and/or monitoring process). The Business Partner shall declare any potential conflict of interest to Danone prior to the start of the selection process and at any time during the business relationship.' In addition, in its UR Document 2020, it indicates: 'Danone's responsible sourcing approach is based on the Company's Sustainability Principles, which cover its operations and supply chain and labor rights, environmental protection and business ethics topics [...]. These principles are incorporated into a clause in its contracts with direct suppliers. Pursuant to this clause, the supplier warrants that the labor and ethical principles are already in place in its own organization, and that its employees, agents, suppliers and subcontractors comply with these as well.' [Danone Sustainability Principles for Business Partners, 27/07/2018: danone.com] & [Universal Registration Document 2020, 2021: integrated-annual-report-2020.danone.com] • Met: HR affects on-going supplier relationships: The Company states in its Sustainability Principles for Business Partners: 'If the corrective actions are not implemented to Danone's satisfaction in accordance with the agreed time schedule or if the breach by the Business Partner of any of the Sustainability Principles recurs, Danone shall be entitled to cancel the purchase orders in force and/or to terminate the Contract or the relationship for breach in accordance with its terms'. [Danone Sustainability Principles for Business Partners, 27/07/2018: danone.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Describe positive incentives offered to respect human rights • Not Met: Working with suppliers to meet HR requirements: The Company indicates in its UR Document 2021 that it provides 'Remediation support from dedicated experts to help suppliers develop their corrective action plan following SMETA audits findings on Tier 1 suppliers'. However, this subindicator looks for proactive actions to improve suppliers human rights performance. [Universal Registration Document 2021, 2022: danone.com] |
| B.1.8 | Approach to engagement with affected stakeholders | 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"> • Not Met: Stakeholder process or systems to identify and engage with workers/communities in the last two years: The Company indicates that 'Danone relies on this materiality analysis as it highlights the 14 most material issues for Danone's business success and for external stakeholders [...]. This matrix is the result of a global consultation with more than 380 internal and external stakeholders [...]. Among the stakeholders consulted were: more than 230 external and local stakeholders, including national authorities, NGO representatives, |

| Indicator Code | Indicator name | Score (out of 2) | Explanation |
|----------------|----------------|------------------|--|
| | | | <p>academics/experts and sector peers, etc.; more than 150 Danone employees whose work relates to the OPOH frame of action.' However, no further information was found describing the process or system to identify and engage with affected or potentially affected stakeholders (supplier's workers, communities) in human rights context. The Company has provided additional comment/source to CHRB regarding this indicator. However, evidence was not material, no description of the identification process of stakeholders was found. [Universal Registration Document 2020, 2021: integrated-annual-report-2020.danone.com]</p> <ul style="list-style-type: none"> • Not Met: Discloses stakeholders that HRs may be affected: The Company has provided comments to CHRB regarding this indicator. However, this content has not been found in publicly available sources. • Not Met: Provides two examples of engagement with stakeholders: The Company discloses information of several activities where it engages with stakeholder, such as training or technical support. However, no example of engagement with stakeholders whose human rights have been or may be affected by its activities, establishing a bidirectional communication channel was found. [Universal Registration Document 2021, 2022: danone.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Analysis of stakeholder views on company's HR issues • Not Met: Describe how views influenced company's HR approach |

B.2 Human Rights Due Diligence (15% of Total)

| Indicator Code | Indicator name | Score (out of 2) | Explanation |
|----------------|--|------------------|---|
| B.2.1 | 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"> • Met: Identifying risks in own operations: The Company indicates in its UR Document 2020: '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. [...] Danone's Vigilance Plan, which governs its activities and those of its sub-contractors and suppliers. It was developed based on a dialogue with its stakeholders. For its supply chain as a whole, the Company takes a continuous improvement approach and tailors the requirements to its specific challenges and risks. [...] The Company used the risk mapping of the 20 purchasing categories with the highest exposure conducted in 2017 to help it identify the categories of purchased goods and services it would treat as human rights priorities. The priority categories are workers employed through outside labor providers, together 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 its supply chain and include, in particular, the potential risks typical of agricultural chains such as working conditions, health and safety, forced labor and child labor.' [Universal Registration Document 2020, 2021: integrated-annual-report-2020.danone.com] • Met: Identifying risks through relevant business relationships: The Company indicates in its UR Document 2020: '[...], Danone mapped major potential risks for its 20 purchasing categories with the highest exposure in terms of social and environmental impact. The Company analysed these risks using a checklist derived from the ISO 26000, GRI G4 and SA 8000 standards, taking into account the potential impacts of purchased products mainly from the standpoint of labor rights and human rights, but also the impacts on local communities and consumers, as well as in terms of fair trade practices and environment.' [Universal Registration Document 2020, 2021: integrated-annual-report-2020.danone.com] & [2019 Universal Registration Document, 19/03/2020: danone.com] <p>Score 2</p> <ul style="list-style-type: none"> • Met: Describe ongoing global risk identification in consultation with stakeholder/HR experts: See above. In addition, the Company reports in its UR Document 2021: 'Danone, with the support of Shift, undertook a process to identify and prioritize the company's salient human rights impacts across its operations and value chain. The process involved desk research together with external and internal stakeholders' engagement. The Company used this as an opportunity to raise awareness and build capacity on human rights internally, involving more than 110 employees in interviews or workshops. The resulting salient impacts and the related action plan development will shape Danone's actions and priorities in the years to come.[...] in 2021 Danone accelerated its efforts to advance the respect of human rights in its value chain by conducting a salient human right impact analysis with the support of Shift, the leading center of expertise on the UN Guiding Principles on Business and Human Rights. Once approved, the salient impacts will inform Danone's future human rights commitment'. [Universal Registration Document 2021, 2022: danone.com] • Not Met: Triggered by new circumstances |

| Indicator Code | Indicator name | Score (out of 2) | Explanation |
|----------------|--|------------------|---|
| | | | <ul style="list-style-type: none"> • Not Met: Describes risks identified |
| B.2.2 | Assessing human rights risks and impacts | 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"> • Met: Describe process for assessment of HR risks and discloses salient HR issues: 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. [Registration Document 2018, 3/2019: danone.com] • Met: How process applies to supply chain: See above [Registration Document 2018, 3/2019: danone.com] • Met: Public disclosure of the results of HR assessment: The Company reports: 'Confirmed through the 2021 salient human rights impact assessment, the 2017 priority categories remain valid, namely (i) workers employed through outside labor providers and (ii) four agricultural raw materials (palm oil, cocoa, sugar cane and fruits), for which the potential risks primarily exist at farms and plantations in the upstream end of Danone's supply chain and include, in particular, the potential risks typical of agricultural chains, such as working conditions, health and safety, forced labor and child labor.' [Universal Registration Document 2021, 2022: danone.com] <p>Score 2</p> <ul style="list-style-type: none"> • Met: Meets all requirements under score 1 • Not Met: How it involved affected stakeholders in the assessment: The Company indicates in its UR Document 2021: 'Danone, with the support of Shift, undertook a process to identify and prioritize the company's salient human rights impacts across its operations and value chain. The process involved desk research together with external and internal stakeholders' engagement. The Company used this as an opportunity to raise awareness and build capacity on human rights internally, involving more than 110 employees in interviews or workshops. The resulting salient impacts and the related action plan development will shape Danone's actions and priorities in the years to come.' However, no details found on how affected stakeholders were involved in the assessment of salient human rights risks beyond the indication that they were engaged. Description found refers to awareness and capacity building, not details of engagement in assessment saliency. [Universal Registration Document 2021, 2022: danone.com] |
| B.2.3 | Integrating and acting on human rights risks and impact assessments | 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"> • 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: danone.com] • Met: Description of how global system applies to supply chain: 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: danone.com] • Met: Example of actions decided on at least 1 salient HR issues: 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.) <p>Score 2</p> <ul style="list-style-type: none"> • Met: Meets all requirements under score 1 • Not Met: Involve stakeholders in decisions about actions |
| B.2.4 | Tracking the effectiveness of actions to respond to human rights risks and impacts | 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"> • Met: System for tracking or monitor if actions taken 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: danone.com] |

| Indicator Code | Indicator name | Score (out of 2) | Explanation |
|----------------|---------------------------------------|------------------|---|
| | | | <ul style="list-style-type: none"> • Not Met: Lessons learnt from checking system 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. [Universal Registration Document 2020, 2021: integrated-annual-report-2020.danone.com] Score 2 <ul style="list-style-type: none"> • Not Met: Meets both requirements under score 1 • Not Met: Involve stakeholders in evaluation of actions taken |
| B.2.5 | Communicating on human rights impacts | 0 | The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not Met: Provides two examples of comms with stakeholders: The Company has provided comment/source to CHRB regarding this indicator. However, evidence was not material, no examples of how it communicates with affected stakeholders regarding specific human rights impacts raised by them or on their behalf were found. Score 2 <ul style="list-style-type: none"> • Not Met: Describe challenges to effective comms and how it is working to address them |

C. Remedies and Grievance Mechanisms (20% of Total)

| 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"> • Met: Channel accessible to all workers: The Company states that 'Danone has developed a confidential whistleblowing system for employees, suppliers and any other third parties to report their concerns, anonymously if necessary, about any violation of the Code of Business Conduct, illegal behavior, inappropriate financial practice or activity posing an environmental or human rights risk'. According to its Ethics Line website, it 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. [Universal Registration Document 2020, 2021: integrated-annual-report-2020.danone.com] & [Danone Ethics Line, N/A: bkms-system.net] Score 2 <ul style="list-style-type: none"> • Met: Channel is available in all appropriate languages and workers aware: The Danone Ethics Line is available in 15 different languages. These include languages such as Bahasa Indonesia, Bahasa Malaya and Polish. In addition, the Company indicates in its UR Document 2020: 'In 2020, Danone rolled out a worldwide communication campaign to remind all employees of the importance of the Code of Business Conduct and their obligation to follow it.' This Code includes information about the Ethics Line. [Danone Ethics Line, N/A: bkms-system.net] & [Universal Registration Document 2020, 2021: integrated-annual-report-2020.danone.com] • Met: Describe how workers in the supply chain have access to grievance mechanism: As indicated above the confidential whistleblowing system is available for employees, suppliers and any other third parties. [Universal Registration Document 2020, 2021: integrated-annual-report-2020.danone.com] • Met: Expect Suppliers to convey expectation to their own suppliers: The Company indicates in its Sustainability Principles - Implementation note for Business partners: 'It is the responsibility of the Business Partner to disseminate, educate and exercise due diligence in implementing requirements equivalent or similar to the DSP with their own operations and their supply chain up to origin suppliers of raw materials, and to enforce these standards with their own monitoring programme. [...] The Business Partner must provide a grievance mechanism for workers (and their organisations, where they exist) to raise workplace concerns. This grievance mechanism must involve an appropriate level of management to address concerns promptly, using an understandable and transparent process that provides timely feedback to those concerned, without any retaliation. The mechanism must also allow for anonymous complaints to be raised and addressed. The existence and scope of this mechanism must be clearly communicated to all workers and their representatives, and all workers must have equal access' [Sustainability Principles - Implementation Note for Business Partners, 06/2022: danone.com] |

| Indicator Code | Indicator name | Score (out of 2) | Explanation |
|----------------|---|------------------|--|
| C.2 | Grievance channel(s)/mechanism(s) to receive complaints or concerns from external individuals and communities | 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"> • Met: Grievance mechanism for community: The Company indicates in its Universal Registration Document 2020: 'Danone has developed a confidential whistleblowing system for employees, suppliers and any other third parties to report their concerns, anonymously if necessary, about any violation of the Code of Business Conduct, illegal behavior, inappropriate financial practice or activity posing an environmental or human rights risk. The tool can be accessed on the internet by anyone, in any country and is available in 34 languages.' In addition, it states on its website: '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: bkms-system.net] <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Describes accessibility and local languages and stakeholder awareness: The Danone Ethics Line is available in 15 different languages. These include languages such as Bahasa Indonesia, Bahasa Melayu and Polish. There is also an option to select from over 200 countries. However, no details were found on how external stakeholders are made aware of the grievance mechanisms. [Danone Ethics Line, N/A: bkms-system.net] • Not Met: Communities access mechanism direct or through suppliers: The Company indicates in its Sustainability Principles - Implementation note for Business partners: 'The Business Partner must provide a grievance mechanism for workers (and their organisations, where they exist) to raise workplace concerns. This grievance mechanism must involve an appropriate level of management to address concerns promptly, using an understandable and transparent process that provides timely feedback to those concerned, without any retaliation. The mechanism must also allow for anonymous complaints to be raised and addressed. The existence and scope of this mechanism must be clearly communicated to all workers and their representatives, and all workers must have equal access' However, no reference to suppliers' external stakeholders was found. [Sustainability Principles - Implementation Note for Business Partners, 06/2022: danone.com] • Not Met: Expect supplier to convey expectation to their own suppliers: The Company indicates in its Sustainability Principles - Implementation note for Business partners: 'It is the responsibility of the Business Partner to disseminate, educate and exercise due diligence in implementing requirements equivalent or similar to the DSP with their own operations and their supply chain up to origin suppliers of raw materials, and to enforce these standards with their own monitoring programme. [...] The Business Partner must provide a grievance mechanism for workers (and their organisations, where they exist) to raise workplace concerns. This grievance mechanism must involve an appropriate level of management to address concerns promptly, using an understandable and transparent process that provides timely feedback to those concerned, without any retaliation. The mechanism must also allow for anonymous complaints to be raised and addressed. The existence and scope of this mechanism must be clearly communicated to all workers and their representatives, and all workers must have equal access' However, no reference to external stakeholders was found. [Sustainability Principles - Implementation Note for Business Partners, 06/2022: danone.com] |
| C.3 | Users are involved in the design and performance of the channel(s)/mechanism(s) | 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"> • Met: Engages users to create or assess system: The Company indicates that 'Since 2017, the Danone Ethics Line has also enabled whistleblowers to report suspected environmental and human rights violations (see section 5.1 Responsible practices: ethics and integrity). [...] The reporting process was developed in consultation with employee representatives and ensures that whistleblowers are protected.' [2019 Universal Registration Document, 19/03/2020: danone.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Engages with potential or actual users on the improvement of the mechanism • Not Met: Provides user engagement example (at least two) on improvement |
| C.4 | Procedures related to the mechanism(s)/c | 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"> • Not Met: Response timescales and how complainants will be informed: The Company indicates on its Ethics Line website: 'You will receive feedback from us via |

| Indicator Code | Indicator name | Score (out of 2) | Explanation |
|----------------|---|------------------|--|
| | channel(s) are equitable, publicly available and explained | | <p>this postbox, including answers to questions and information about the progress of your report.' However, no information about response timescales was found. The Company developed and published in 2019 a grievance procedure adapted to raw material supply chains, starting with Palm oil, this procedure includes a detailed timeline for the different steps, as follow: '1. Analysis of grievance in 2 weeks* [est.] ; 2. Share information with Danone in 2 weeks* [est.]; 3. Investigate grievance and engage with relevant partners in 3 weeks* [est.]; 4. Action Plan max 3months'. However, no timescales for the general Ethics Line was found. [Danone Ethics Line, N/A: bkms-system.net] & [Grievance Process, 2019: danone.com]</p> <ul style="list-style-type: none"> • Not Met: Describe support (technical, financial,etc) available for equal access by complainants <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Describe types of outcome to complainant through use of mechanism • Not Met: Escalation to senior/independent level: The Company discloses: 'In 2017, Danone integrated two new categories of wrongdoings that may be reported via the Danone Ethics Line (see section Danone's responsible practices) to cover suspected environmental and Human Rights violations'. Furthermore, the company states that 'all reported wrongdoings will be examined by a steering committee comprising representatives of the Sustainable Development, Human Resources and General Secretary functions.' However, it is unclear if the grievances are escalated at the request of the complainant (for complaints from employees and other stakeholders). No further evidence found in latest report. [Registration Document 2018, 3/2019: danone.com] |
| C.5 | Prohibition of retaliation for raising complaints or concerns | 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"> • Met: Public statement prohibiting retaliation: The Company Code of Business Conduct states that 'There will be no retaliation against anyone who reports a genuine concern. All cases will be appropriately investigated and, where breaches are found, appropriate actions will be taken.' [Code of Business Conduct, 04/2022: danone.com] • Met: Practical measures to prevent retaliation: The Company indicates on its Ethics Line website: 'The internet reporting site is managed independently of Danone, with worldwide support and allows you to raise a concern anonymously, if you prefer, and according to your country's local laws.' In addition, in its Antiharassment, Discrimination Policy it states: 'Danone protects the rights of, and prohibits retaliation against, those who volunteer information or cooperate proactively with an investigation. [...] Further to the investigation, if a Policy violation has occurred, appropriate measures will be taken in relation to the wrongdoing. This may include corrective measures and/or disciplinary actions up to and including dismissal in [...]'. There was training on the code, which includes the helpline. [Danone Ethics Line, N/A: bkms-system.net] & [Anti-harassment & discrimination Policy, 2021: danone.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Company indicate it will not retaliate against workers/stakeholders: The Company states in its Sustainability Principles - Implementation Note for Danone and employees: 'At Danone we strongly support a culture of speaking up for both the company and their workers without any fear of retaliation against those who report actual or suspected breaches. There will be no retaliation against anyone who reports a genuine concern [...] ' However, no further information was found specifying that the Company will not retaliate against workers and stakeholders through: legal action; firing or engaging in economic forms of retaliation or engaging in violent acts or threats to the livelihoods, careers or reputation of claimants or their lawyers. [Sustainability Principles - Implementation Note for Danone and Employees, 06/2022: danone.com] • Not Met: Expects suppliers to prohibit retaliation against workers/stakeholders: The Company Code of Business Conduct for Business Partners states that 'anyone who reports a genuine concern in good faith must not be retaliated against.' In addition, in its Sustainability Principles - Implementation Note for Business Partners, it indicates: 'The Business Partner must provide a grievance mechanism for workers (and their organizations, where they exist) to raise workplace concerns. This grievance mechanism must involve an appropriate level of management to address concerns promptly, using an understandable and transparent process that provides timely feedback to those concerned, without any retaliation. The mechanism must also allow for anonymous complaints to be raised and addressed. The existence and scope of this mechanism must be clearly communicated to all workers and their representatives, and all workers must have equal access.' However, it is not clear that external stakeholders have access to suppliers grievance mechanisms. [Code of Conduct for Business Partners, 2020: danone.com] |

| Indicator Code | Indicator name | Score (out of 2) | Explanation |
|----------------|--|------------------|--|
| | | | & [Sustainability Principles - Implementation Note for Business Partners, 06/2022: danone.com] |
| C.6 | Company involvement with state-based judicial and non-judicial grievance mechanisms | 0 | The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not Met: Complainants not asked to waive rights: The Company has provided comments to CHRB regarding this indicator. However, evidence was not material. • Not Met: Company does not require confidentiality provisions Score 2 <ul style="list-style-type: none"> • Not Met: Will work with state based non judicial mechanisms • Not Met: Example of issue resolved (if applicable) |
| C.7 | Remedying adverse impacts | 0 | The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not Met: Describes how remedy has been provided • Not Met: Says how it would provide remedy for victims if no adverse impact identified Score 2 <ul style="list-style-type: none"> • Not Met: Changes to systems, processes and practices to stop similar impact • Not Met: Describe approach to monitoring implementation of agreed remedy • Not Met: Approach to learning from incident to prevent future impacts |
| C.8 | Communication on the effectiveness of grievance mechanism(s) and incorporating lessons learned | 0 | The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not Met: Number grievances filed, addressed or resolved and outcome achieved: According its UR Document 2021: 'In 2021, 38 alerts were made in the "human rights" category compared to 31 in 2020. This category selected by whistleblowers includes violations in the areas of child labor, forced labor, right to collective bargaining, working time and wages. During 2021, the set of issues related to discrimination, harassment, and employee health, safety and security has been brought under the umbrella of human rights reporting. As a result, in 2021, in total 395 alerts are accounted for in this newly defined human rights category, originating from 32 countries. [...] Since 2019, Danone has implemented a grievance mechanism for palm oil, with the support of the Earthworm Foundation. Currently this mechanism is also being used for other commodities. [...] In 2021, Danone registered 28 new alerts linked to deforestation and human rights violations, 25 of which were related to palm oil and 3 to other commodities. In total, the Company is monitoring 31 alerts that have been brought to its attention by organizations such as Center for Reproductive Rights, Global Witness, LibertyShared and MightyEarth. All of these alerts are being investigated as mentioned above and are being monitored in dialogue with the parties involved and the supporting NGOs and experts. As a result, Danone currently has ongoing suspensions for 12 producers, including one suspension initiated in 2021.' However, the information does not make it clear which are from workers and which from external individuals. [Universal Registration Document 2021, 2022: danone.com] Score 2 <ul style="list-style-type: none"> • Not Met: How lessons from mechanism improve management system • Not Met: Evaluation of the channel/mechanism and changes made as result • Not Met: Describes procedures to address delays of outcomes agreed with stakeholders |

D. Performance: Company Human Rights Practices (25% of Total)

| Indicator Code | Indicator name | Score (out of 2) | Explanation |
|----------------|-----------------------------------|------------------|--|
| D.1.1.b | Living wage (in the supply chain) | 0 | The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not Met: Discloses timebound target for suppliers to pay living wage or include in code or contracts: The Company's business partners must ensure that 'employees receive a decent wage, as compared to standard pay practices in their country', however, it is unclear what does 'decent wage', as the living wage definition for CHRB includes a wage sufficient to meet basic needs and discretionary income for the employee and his/her family/dependents. [Danone Sustainability Principles for Business Partners, 27/07/2018: danone.com] • Not Met: Improving living wage practices of suppliers: The Company indicates that has worked with producers in the US and Europe to reduce milk price volatility, which offers more financial stability to farmers, using contracts that factor production costs into milk pricing. However, no description found on how this promotes changes toward living wages. No further evidence found in latest report. [2019 Universal Registration Document, 19/03/2020: danone.com] |

| Indicator Code | Indicator name | Score (out of 2) | Explanation |
|----------------|---|------------------|--|
| | | | <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Assessment of number affected by payment below living wage • Not Met: Provides analysis of trends demonstrating progress |
| D.1.2 | Aligning purchasing decisions with human rights | 0.5 | <p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Avoids business model pressure on HRs (purchasing practices): The Company describes the following: 'Danone has worked with producers in the United States and Europe to develop innovative contracts that reduce milk price volatility, offering farmers greater financial stability and enabling them to plan ahead. Danone has also launched this model in Russia. These Cost Performance Model (CPM) contracts factor production costs into milk pricing and are developed in partnership with milk producers or their organizations. [...] Altogether, 24% of the milk Danone collects is covered by CPM contracts. In 2015, Danone launched talks with producer organizations (POs) in France to jointly develop new milk price formulas over time. These formulas factor production costs into prices, reflecting local conditions as closely as possible. Since 2017, following an agreement with the most recent PO, the formulas have applied to all of the more than, 2000 Danone producers who belong to a PO.' [Registration Document 2018, 3/2019: danone.com] • Not Met: Practices adopted to pay suppliers in line with agreed timeframes • Not Met: Review own operations to mitigate negative impact <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Meets all requirements under score 1 • Not Met: Examples of how it assessed, addressed and change purchasing practices |
| D.1.3 | Mapping and disclosing the supply chain | 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"> • Met: Identifies direct and indirect suppliers back to manufacturing sites (factories or fields): 'With input from independent experts, Danone has launched traceability initiatives in these five priority categories: 1. palm oil: Danone works with Earthworm Foundation (former The Forest Trust) to ensure traceability of palm oil. In 2019, 48% of the palm oil that Danone sourced was RSPO Segregated and 51% was RSPO Mass Balance (see section 5.3 Preserve and renew the planet's resources). Since 2018, the Company has also published a list of its palm oil suppliers (direct and mill-level) on its website; 2. fruit: in 2019, 100% of Danone's fruit supplies are traceable to the Company's Tier 2 suppliers; 3. cocoa: in 2018, Danone reached 70% country-level traceability, a figure it maintained in 2019; 4. cane sugar: Danone works with the NGO ProForest to ensure traceability of this ingredient. In 2019, Danone reached 86% traceability, of which 36% mill-level traceability and 50% plantation-level traceability; 5. soy: Danone estimates that soy accounts for less than 5% of feed consumed by the dairy cows in its supply chain. In North America and Brazil, its dairy farmers buy soy locally, in regions with no risk of deforestation. In Europe, Danone has worked with Transparency for Sustainable Economies (Trase) to ensure the traceability of soy imported from Brazil, which could come from regions at risk of deforestation.' [2019 Universal Registration Document, 19/03/2020: danone.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Discloses names and locations of significant parts of SP and why: The Company published a 2020 update of its Forest key categories indicating the location of origin of its sourcing of fresh milk; soy; paper; and palm oil. However, no names or specific location was found. The Company discloses information about Palm Oil mills and plantations, including name and location. However, it is not clear whether this is the most significant part of the supply chain (this is to be defined by the Company), the list is focused on Palm Oil only, no similar information for the rest of suppliers was found. [Palm Oil Plantation list 2020, 2021: danone.com] & [Forest updates on key categories, 2020: danone.com] • Not Met: Discloses which direct or indirect suppliers is involved in higher-risk activities |

| Indicator Code | Indicator name | Score (out of 2) | Explanation |
|----------------|---|------------------|--|
| D.1.4.b | Prohibition of child labour: Age verification and corrective actions (in the supply chain) | 0.5 | <p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Child Labour rules in codes or contracts: In the Company's ' Sustainability Principles for Business Partners the company states: 'The Business Partner does not employ children aged under fifteen (15). If the law sets a higher minimum working age or compulsory schooling is to a higher age, this limit applies.' The Fundamental Social Principles are inserted in supplier contracts. In addition, according to its Sustainability Principles - Implementation Note for Business Partners: 'All forms of unlawful employment or exploitation of children are prohibited. The Company must not employ children under the age of fifteen (15) and must implement robust age verification checks at all times to ensure this policy is upheld. If local law sets a higher minimum working age or compulsory schooling is to a higher age, this limit applies. This guidance is subject to exceptions recognized by the International Labour Organization. Young persons under 18 years of age must not be hired for positions that include hazardous work, night work or that interfere with normal educational activities. If children are found working, directly or indirectly, the Company must implement a remediation plan, develop, or participate in and contribute to policies and programmes that put the best interests of the child first and enables the child to access appropriate education until reaching 15 years of age, or the age of compulsory education in the country'. [Sustainability Principles - Implementation Note for Business Partners, 06/2022: danone.com] • Not Met: How working with suppliers on child labour <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Assessment of number affected by child labour in supply chain • Not Met: Analysis of trends in progress made |
| D.1.5.b | Prohibition of forced labour: Recruitment fees and costs (in the supply chain) | 0.5 | <p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Debt and fees rules in codes or contracts: The Company refers to the following principles: 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) 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'. It also indicates that 'is the responsibility of the Business Partner to disseminate, educate and exercise due diligence in implementing requirements equivalent or similar to the DSP with their own operations and their supply chain up to origin suppliers of raw materials, and to enforce these standards with their own monitoring programme [...] Each Business Partner guarantees they will comply with the Danone Sustainability Principle at all times and will demonstrate that they are continuously improving beyond minimum requirements'. [Danone Sustainability Principles for Business Partners, 27/07/2018: danone.com] & [Sustainability Principles - Implementation Note for Business Partners, 06/2022: danone.com] • Not Met: How working with suppliers on debt & fees <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Assessment of the number affected by payment of recruitment fees • Not Met: Analysis of trends in progress made |
| D.1.5.d | Prohibition of forced labour: Wage practices (in the supply chain) | 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"> • Not Met: Suppliers to pay workers in full and on time in codes or contracts: The Company indicates in its Sustainability Principles or business partners document: 'The Business Partner ensures that: no wage is lower than the applicable legal minimum; all employees receive a pay slip; employees receive a decent wage, as compared to standard pay practices in their country; wage rates for overtime are in all cases higher than for normal hours.' However, no provision requiring suppliers to pay in full and on time was found. [Danone Sustainability Principles for Business Partners, 27/07/2018: danone.com] • Not Met: How working with supply chain to pay workers regularly and on time <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Assessment of the number affected by failure to pay directly • Not Met: Provides analysis of trends demonstrating progress |

| Indicator Code | Indicator name | Score (out of 2) | Explanation |
|----------------|--|------------------|--|
| D.1.5.f | Prohibition of forced labour: Restrictions on workers (in the supply chain) | 0.5 | <p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Free movement rules in codes or contracts: The Danone's Sustainability Principles for Business Partners refers to the three following principles: 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. 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) 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.' Similar evidence in the Sustainability Principles - Implementation Note for Business Partners. [Danone Sustainability Principles for Business Partners, 27/07/2018: danone.com] & [Sustainability Principles - Implementation Note for Business Partners, 06/2022: danone.com] • Not Met: How working with suppliers on free movement <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Assessment of the number affected by retaining docs or restricting movement • Not Met: Provides analysis of trends demonstrating progress |
| D.1.6.b | Freedom of association and collective bargaining (in the supply chain) | 0.5 | <p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: FoA & CB rules in codes or contracts: The Company's 'Sustainability Principles for business partners reads: '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' [Danone Sustainability Principles for Business Partners, 27/07/2018: danone.com] & [Sustainability Principles - Implementation Note for Business Partners, 06/2022: danone.com] • Not Met: How working with suppliers on FoA and CB <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Assessment of the number affected by restrictions to FoA and CB in the SP • Not Met: Provides analysis of trends demonstrating progress |
| D.1.7.b | Health and safety: Fatalities, lost days, injury, occupational disease rates (in the supply chain) | 0.5 | <p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Sets out clear Health and Safety requirements: The Code Business Conduct for Business partners states: 'Business Partners are required to abide by all applicable laws relating to health, safety and the environment in their work for Danone. We expect them to ensure that adequate measures are put in place to protect the health and safety of their employees, and to mitigate the environmental impact of their business operations as far as possible.' Furthermore the Sustainability Principles for business partners, which are inserted into suppliers contracts, requires suppliers to ensure that 'workplace and its environment do not endanger the physical integrity or health of employees. Action to reduce the causes of accidents and improve working conditions is the object of ongoing programs. [...] As a minimum, the Business Partner must provide employees with drinking water, clean toilets in adequate number, adequate ventilation, emergency exits, proper lighting and access to medical care.' Similar evidence included in the Sustainability Principles - Implementation Note for Business Partners. [Code of Conduct for Business Partners, 2020: danone.com] & [Danone Sustainability Principles for Business Partners, 27/07/2018: danone.com] • Not Met: Injury Rate or Lost days or Near miss disclosures for last reporting period: The Company reports on its frequency rate of workplace accidents with medical leave (FR1) for 2019 and 2020 in its last UR Document 2020. However, it is unclear if this number includes suppliers' employees [Universal Registration Document 2020, 2021: integrated-annual-report-2020.danone.com] • Not Met: Fatalities rate for lasting reporting period: The Company reports the number of fatal accidents for 2019 and 2020 in its last UR Document 2020. However, it is unclear if this number includes suppliers' employees [Universal Registration Document 2020, 2021: integrated-annual-report-2020.danone.com] • Not Met: Occupation disease rate for last reporting period |

| Indicator Code | Indicator name | Score (out of 2) | Explanation |
|----------------|---|------------------|---|
| | | | <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: How working with suppliers on H&S • Not Met: Assessment of the number affected by H&S issues in the SP • Not Met: Provides analysis of trends demonstrating progress |
| D.1.8.b | Land rights: Land acquisition (in the supply chain) | 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"> • Not Met: Rules on land & owners in codes or contracts • Not Met: How working with suppliers on land issues <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Includes resettlement requirements that the supplier provides financial compensation • Not Met: Assessment of the number affected by land rights issues in its SP • Not Met: Provides analysis of trends demonstrating progress |
| D.1.9.b | Water and sanitation (in the supply chain) | 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"> • Met: Rules on water stewardship in codes or contracts: The Company indicates in its Sustainability Principles - Implementation Note for Business Partners: 'In line with Danone's Water Policy, the Company is expected to adopt a water strategy which aligns with: preserving water resources, driving water circularity (reduce, reuse, recycle) and ensuring operations do not negatively affect access to safe potable water for the community'. [Sustainability Principles - Implementation Note for Business Partners, 06/2022: danone.com] • Met: How working with suppliers on water stewardship issues: The Company indicates in its UR Document 2020: 'the Water Cycle team has developed a plan to ensure the commitment of all internal stakeholders (involving communication, awareness and training). It prioritizes a collaborative approach with the Reporting Entities and cycles other than water, by means of (i) committees for information-sharing and joint creation of action plans in production sites and watersheds, (ii) the creation of a special working group on water stewardship in the Danone supply chain (representing 89% of its water footprint), and (iii) work to implement regenerative agriculture. [...] In 2020, the Water Cycle team worked with the Agriculture Cycle team and the Cycles and Procurement Department to (i) identify the main ingredients on the basis of criteria such as the volume, expenditure or environmental footprint, and (ii) assess the water-related risks for all 68 ingredients in its supply chain. Danone uses the results obtained to define its priorities and its water stewardship plans for the ingredients produced in areas with a high or extreme water risk.' In addition, it reports in its UR Document 2021: '[...] together with the WWF, Danone South Africa developed a project in the Southern Drakensberg region, suffering from water scarcity. The Company aims to preserve water resources by actively working to improve water access to local communities as well as working with local dairy farmers to transition towards regenerative agriculture practices'. [Universal Registration Document 2020, 2021: integrated-annual-report-2020.danone.com] & [Universal Registration Document 2021, 2022: danone.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Assessment on the number affected by lack of access to water and sanitation • Not Met: Provides analysis of trends demonstrating progress |
| D.1.10.b | Women's rights (in the supply chain) | 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"> • Not Met: Women's rights in codes or contracts: The Company indicates in its Sustainability Principles - Implementation Note for Business Partners: "'The Company must treat all workers with respect and dignity. No person shall be subject to any discrimination in employment, including hiring, compensation, advancement, discipline, termination, or retirement, on the basis of gender.' However, no further requirement with respect women's rights was found. [Sustainability Principles - Implementation Note for Business Partners, 06/2022: danone.com] • Not Met: How working with suppliers on women's rights <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Assessment on the number affected by discrimination or unsafe working conditions • Not Met: Provides analysis of trends demonstrating progress |

E. Performance: Responses to Serious Allegations (20% of Total)

| Indicator Code | Indicator name | Score (out of 2) | Explanation |
|----------------|---|------------------|--|
| E(1).0 | Serious allegation No 1 | | <ul style="list-style-type: none"> Area: Forced Labour Headline: Danone and Dairy Partners Americas Brasil criticized for complicity in forced labor in Brazil Story: 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. 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. "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. "They sometimes worked over 15 hours in extreme heat, cold or rain." While Danone and DPA were not directly involved, inspectors want to hold them accountable for not monitoring their distribution chain. 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. "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. DPA, a joint venture between New-Zealand company Fonterra and Nestle that sells refrigerated products, also said it did nothing wrong. [Reuters, 06/02/2019, "Danone and Nestle-owned company could join Brazil's slavery 'dirty list': officials": reuters.com] |
| 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"> Met: Public response: 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. In an email to Reuters the company stated 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," [Reuters, 06/02/2019: reuters.com] <p>Score 2</p> <ul style="list-style-type: none"> Not Met: Detailed response: 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 at hand. |
| E(1).2 | The company has investigated and 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"> Not Met: Engaged with stakeholders: The company denies having any relationship with the businessman involved in the debt bondage and there is no evidence that the company engaged with affected stakeholders to investigate causes. [Reuters, 06/02/2019: reuters.com] Not Met: Identified cause: The company does not present investigative results on the underlying causes of the events concerned. <p>Score 2</p> <ul style="list-style-type: none"> Not Met: Identified and implemented improvements: 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 evidence that the company made changes to its management systems following the events and their human rights impacts. Not Met: Stakeholder input to steps taken |
| E(1).3 | The company has engaged with affected | 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"> Not Met: Provided remedy |

| Indicator Code | Indicator name | Score (out of 2) | Explanation |
|----------------|---|------------------|---|
| | stakeholders to provide for or cooperate in remedy(ies) | | <ul style="list-style-type: none"> • Not Met: Evidence for lack of Impact or link: The company denies having any relationship with the businessman. However, it did not provide any evidence to support this claim. Since the businessman was found to be distributing the company's products, it would have been necessary for the company to disclose its distribution chains in Brazil as evidence. [Reuters, 06/02/2019: reuters.com] Score 2 • Not Met: Remedy satisfactory to stakeholders • Not Met: Remedy delivered • Not Met: Independent remedy process used: The company stated 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", however, there is no information available that suggests the Labour Secretariat has been called upon as an independent process in this case. [Reuters, 06/02/2019: reuters.com] |
| E(2).0 | Serious allegation No 2 | | <ul style="list-style-type: none"> • Area: Environmental rights • Headline: Indigenous communities in Mexico take over a plant of Bonafont, Danone's brand, for water abuse in the region • Story: On August 9, 2021, media sources reported that members of 21 indigenous and local communities in Mexico have entered the regional plant of Bonafont, a brand of Danone, and took over the plant blaming the company for pollution, water scarcity, and other issues in the region. <p>The communities had previously engaged in a permanent blockade of four months, by obstructing the main entrance of the plant with large rocks, tents, a cooking station, and more; using the space to hold workshops, forums and cultural events.</p> <p>The communities have called for a public meeting with the state authorities and Bonafont owners, for August 8, 2021, but no official showed up. Following the failure to meet, they have entered the plant of the Company, and took over it. Activists immediately disabled and destroyed security cameras within the plant and moved large structures to block other entrances. They have also shut down one of the wells within the plant that was used to extract water from the nearby Iztaccíhuatl volcanic springs, in the east of Puebla state.</p> <p>According to news sources, Bonafont had been extracting 1.4 million litres of water a day, in order to sell them for profit, while leaving locals without. People of the local communities denounced that while Bonafont has been taking their water and selling it in 19-litre bottles, they have been forced to buy their water from water trucks.</p> <p>One representative of the communities declared: "We are open to dialogue, but not to negotiation. Our communities declare this looting Company close." "We have to defend what our ancestors left us with — this Mother Earth," said another community representative.</p> <p>Activists have also expressed their fear of criminalisation, imprisonment and murder for their actions against the Company.</p> <p>[The Business and Human Rights Resource Centre, 16/08/2021, "Mexico: Indigenous communities take over Bonafont water-bottling plant against the abuse of land and water in the region": business-humanrights.org] [Green Left, 09/08/2021, "Mexico: Indigenous communities take over water-bottling plant to use as a social centre": greenleft.org.au]</p> |
| E(2).1 | The Company has responded publicly to the allegation | 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"> • Not Met: Public response: A response by the company is not publicly available. <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Detailed response: A response by the company is not publicly available. |
| E(2).2 | The Company has appropriate policies in place | 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"> • Not Met: Engaged with stakeholders: No evidence of engagement could be found and on February 15, 2022, national guard and state security forces violently evicted the activists and indigenous organizers who had occupied the plant. [Truthout, 17/02/2022, "Mexican Forces Evict Indigenous Activists Who Took Over Water Bottling Plant": truthout.org] [Resistance Words, 15/02/2022. "Urgent: |

| Indicator Code | Indicator name | Score (out of 2) | Explanation |
|----------------|--|------------------|--|
| | | | <p>Mexican national guard take over Indigenous community centre": resistancewords.com [Greenleft, 22/02/2022, "Mexico: Indigenous activists launch global campaign against water bottling transnationals": greenleft.org.au]</p> <ul style="list-style-type: none"> • Not Met: Identified cause <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Identified and implemented improvements • Not Met: Stakeholder input to steps taken |
| E(2).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"> • Not Met: Provided remedy • Not Met: Evidence for lack of Impact or link <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Remedy satisfactory to stakeholders • Not Met: Remedy delivered • Not Met: Independent remedy process used |

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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