

**DANONE ANIMAL WELFARE
COMMITMENTS
AND
FULL YEAR 2023 PROGRESS
REPORT**



OCTOBER 2024

DANONE ANIMAL WELFARE 2023 REPORT

The Animal Welfare Report of Danone is a comprehensive document that outlines the company's commitments and progress in animal welfare. It highlights Danone's dedication to providing appropriate housing environments, ensuring regular access to food and water, promoting responsible use of antibiotics, and monitoring key health and behavioral welfare outcomes. The report is evaluated by the Business Benchmark on Farm Animal Welfare (BBFAW), which provides an independent assessment of Danone's performance. This report serves as a valuable tool for tracking the company's animal welfare status.

MANAGEMENT COMMITMENT AND POLICY (Q1 – Q16*)

Danone acknowledges farm animal welfare as a key business focus

Danone recognizes farm animal welfare as an integral part of its company agenda. We are committed to working closely with farmers and partners to identify and implement agricultural practices that respect the environment and promote the well-being of animals, acknowledging their sentience. Our goal is to ensure improved living conditions for all animal species directly or indirectly involved in our supply chain. Consequently, animal welfare is a cornerstone of our Regenerative Agriculture strategy, which is built upon three core pillars.

Danone has a clear scope on animal welfare

Our animal welfare approach, developed in consultation with Compassion in World Farming (CIWF) and other animal welfare specialists, is grounded in the internationally recognized Five Freedoms established by the Farm Animal Welfare Council. Danone strives to ensure these freedoms are upheld globally, across all applicable countries and for all species relevant to our supply chain: dairy cows for fresh milk, poultry (laying hens, broiler, turkey), lamb, beef cows, ducks, veal, pigs, rabbits, and fish (including finfish).

The Five Freedoms call for management and housing of animals to respect the following needs:

- **Freedom from hunger and thirst:** by providing ready access to fresh water and a diet to maintain full health and vigor.
- **Freedom from discomfort;** by providing an appropriate environment, including shelter and a comfortable resting area.
- **Freedom from pain, injury, or disease:** by prevention or rapid diagnosis and treatment.
- **Freedom to express normal behavior:** by providing sufficient space, proper facilities, and the company of the animal's own kind.
- **Freedom from fear and distress:** by ensuring conditions and treatment which avoid mental suffering.

Upholding the Five Freedoms means working to ensure that farming practices in our supply chain:

- Provide appropriate housing environments and avoid closed confinement (e.g., cages for hens and rabbits).
- Provide regular access to food and water, in both quantity and quality.
- Promote responsible use of antibiotics (avoidance for prophylaxis).
- Monitor and improve key health and behavioral welfare outcomes. Danone pledges to publicly report its progress and performance in animal welfare annually.

This format highlights Danone's commitment to animal welfare and the specific actions taken to ensure the well-being of animals in its supply chain.

Danone is committed to publicly reporting on our progress and performance, on an annual basis.

Reliance on animal-sourced foods as a business issue (Q12*)

Consumers are increasingly aware of the impact their food choices have on health and the environment. Danone supports the transition towards more sustainable and healthier diets by offering superior dairy and plant-based products that fit evolving lifestyles and preferences.

As a global leader in fresh dairy, specialized nutrition and plant-based products, we leverage our expertise and market-leading brands to foster healthier, more sustainable diets. Recognizing the business implications of reliance on animal-sourced foods, we are investing in the transition to regenerative agriculture practices, actively working to reduce methane emissions from our milk sourcing and expanding our plant-based offerings. Our mission is to deliver health through food to as many people as possible, underpinned by our Renew strategy, which emphasizes sustainable and profitable growth.

Danone is supporting flexitarian diets, offering consumers the best of both animal- and plant-based foods. (Q13*) (Q14*)

Danone supports the diversification of diets, advocating for a balanced mix of plant-based foods such as fruits, vegetables, legumes, grains, nuts, and seeds, alongside animal-based products. As a global leader in plant-based foods, Danone boasts renowned brands like Alpro, Provamel, and Silk, and also leads the world in fresh dairy products. The company's extensive product range includes a variety of plant-based options, from drinkable soy and oat products to yogurt alternatives, all rich in proteins and vitamins. Innovations continue to emerge, such as plant-based offerings in baby formula and high-protein yogurt alternatives like YoPRO plant-based. Danone's goal is to cater to consumer needs, cultural preferences, and dietary choices, while fostering healthier eating habits that align with the planet's ecological limits.

Danone has assigned day-to-day and board and senior management responsible for animal welfare (Q15*) (Q16*)

Danone's commitment to animal welfare is overseen by the Global Cycles and Procurement team, led by the Global Chief Cycles and Procurement Officer (CPO). This team reports to the Chief Operations Officer and maintains a dotted line to the Chief Sustainability and Strategic Business Development Officer. Both Officers report directly to Danone's Chief Executive Officer.

The company has established both global and local teams to ensure the delivery of animal welfare standards and commitments. The global team within Cycles & Procurement is entirely dedicated to sustainable strategies tailored to local conditions and needs. Danone has assigned day-to-day management, Director of plant-based foods. He is reporting to the VP of Agriculture, who reports into Danone's CPO. Q21

Danone ensures that all employees and external assessors involved in animal welfare receive specialized training. On-farm animal welfare assessors are trained by Phylum, which also manages the animal welfare assessment tool. For farmer training, Danone leveraged the expertise of local specialists such as VetVice or Cow Signals.

When the assessment tool identifies non-compliance with Danone's animal welfare policy for dairy, the farmer is required to implement a corrective action plan. Depending on the required actions, Danone will offer expertise, contact to on-farm suppliers and best practices. This in close collaboration with the Danone farm account manager. The farm is then reassessed as soon as feasible. In the ultimate case when non-compliance persists after two reassessments, milk collection from the farm is suspended, reflecting Danone's stringent commitment to animal welfare standards.

DANONE'S HISTORY ANIMAL WELFARE POLICY

Danone has consistently demonstrated a commitment to animal welfare, emphasizing transparency in its practices and achievements. The company articulated its stance through the publication of an Animal Welfare Position Paper in 2016 and has since provided annual updates on its commitments and progress. Danone's dedication was recognized with a Tier 2 status by the Business Benchmark on Farm Animal Welfare (BBFAW), an independent assessment, for four consecutive years: 2018, 2019, 2020 and 2021. In 2022 the BBFAW benchmark was substantially modified and therefore no results were published.

In 2023, following significant changes in the methodology to the BBFAW benchmark, Danone achieved a Tier 3 in the BBFAW benchmark, a testament to the company's steadfast commitment and significant efforts in this domain. Danone takes great pride in this accomplishment, especially considering the heightened standards and the strong performance compared to its competitors. This recognition serves as a powerful motivator for Danone to continue investing in and prioritizing animal welfare, an issue of paramount importance to the company.

For a detailed overview of Danone's commitments and progress across various species—including dairy cows, beef cows, ducks, veal, lambs, poultry, laying hens, pigs, rabbits, and finfish—please check the "Summary of Commitments on Animal Welfare". This summary provides insights into the comprehensive efforts undertaken by Danone, reflecting the total volumes within its global supply chain.

Danone implements its animal welfare policy throughout the supply chain and ensures that these are effectively implemented and regularly audited (Q17*)

Animal welfare is integrated in all supplier contracts for relevant species and products across all geographies, and it is an integral part of the criteria for suppliers of fresh milk, meat, poultry, fish, eggs, and dairy products. Contract obligations of suppliers include encompassing various welfare requirements such as cage-free provisions for egg and rabbit suppliers, the elimination of castration for pig suppliers, and mandatory pre-slaughter stunning.

To ensure adherence to these standards, all meat and dairy suppliers undergo bi-annual audits on-site, conducted by Danone's Supplier Quality Manager and external auditors, focusing on quality and animal welfare criteria. Any new animal welfare standards adopted by Danone are promptly incorporated into product specifications, which are binding contractual documents. Non-compliance with these standards constitutes a breach of contract.

Effective communication and transparency are integral components of our strategy to implement. Danone, for example, communicates its animal welfare standards to consumers through its brands, with examples visible on the websites of:

- ☐ Les 2 Vaches The 2 Cows (les2vaches.com)
- ☐ Blédina; Blédina: Meals and recipes for feeding your baby (bledina.com)
- ☐ Happy Family Nutritious Organic Baby Food & More | Happy Family Organics

Since 2014, Danone SN Europe has been executing a welfare improvement plan, particularly targeting indoor reared species. The plan includes key criteria developed in collaboration with suppliers, such as providing optimal housing conditions and behavioral enrichments to meet the animals' needs. These initiatives aim to reduce antibiotic use and prevent mutilations, with detailed information available for each species.

In a significant milestone, since 2020, Danone has ensured that 100% of the meat and farmed fish it sources comply with standards recognized by third-party organizations specializing in farm animal welfare, reflecting the company's dedication to this critical issue.

Communication on animal welfare practices

Danone stands at the forefront of dairy and plant-based products and brands, with a clear objective to emerge as one of the leaders in animal welfare. The company's animal welfare reporting is compiled through the collective efforts of buyers and stakeholders engaged in the animal welfare cycle. This reporting process is pivotal for Danone to validate its animal welfare ambitions and commitments, fostering a culture of continuous improvement. The outcomes of these reports are disseminated internally, ensuring that all pertinent teams and leadership are aligned and informed.

Similarly, the Olvarit and Blédina brands are vocal about their animal welfare practices, ensuring transparency and consumer awareness. Furthermore, Danone's plant-based brands, such as Alpro and Silk, communicate the benefits of reducing reliance on animal-sourced foods, aligning with the company's sustainability goals and consumer preferences. These concerted efforts underscore Danone's commitment to animal welfare and its role as a responsible industry leader (Q22).

SUMMARY OF COMMITMENTS ON ANIMAL WELFARE

SPECIES	COMMITMENTS/ PRIORITIES	PROGRESS ACHEIVED BY 2023
<i>Scope: Danone worldwide</i> For further information, please see Detailed Commitments and Progress per Species		
Universal across all relevant species, products, and geographies (unless mentioned otherwise).	End use of closed confinement (Q4*)	Danone is committed to ending the use of closed confinement and will be phasing out close confinement and permanent tethering systems for all farm animals, including cages for all poultry, stalls or crates for pigs and tethering systems for dairy and beef cattle. Danone excludes confinement practices such as: • Cages for laying hens, broilers, turkeys and rabbits. • Crates for veal calves. • Tethering systems for dairy and beef cattle We promote free stall barns, group housing, yards or pens for all species and avoid excessively high stocking densities for all relevant species mentioned, in all geographies and products applicable. By 2030: End close confinement and permanent tethering for all farm animals, including cages, crates, or stalls.
	Provision on effective species-specific environmental enrichment (Q5*)	Danone is committed to ensuring the best housing conditions for all animals. As we respect the freedom to show natural behaviour (one of the five freedoms of animal welfare), we ensure that we provide high quality, appropriate housing environments, both indoors and outdoors. As an example, we invested 50k Euro in EU and in the US on cow brushes in 2022. Danone requires from its suppliers the following conditions: • Straw bedding and toys for pigs. • Perches and pecking objects, manipulable materials (wood and lucerne) and free range for broilers. • Hiding tubes for rabbits.

This refers to 2022 BBFAW question number.

		• Pasture access for lambs and beef cows. See species specific enrichments in the table “Commitments and progress per specie” below.
	End use of routine mutilations (Q6*/Q10*)	Danone is committed to eradicating the following on-farm mutilation practices: • Fish fin clipping. • Beak trimming and tipping in our egg and chicken supply chain - since 2020. • Pigs’ castration since 2020. • Dairy cows and beef cattle dehorning and tail docking - 99% of cows in 2021/2022/2023, objective of 100% by 2025. • Lamb castration. • Branding with hot irons. • Pig tail docking and teeth grinding by 2030. Danone does not produce or sell foie gras, meat from birds reared for foie gras or products from any animals that have been force fed and does not support or want to be associated with any inhumane practices like force feeding. Today, where certain practices are unavoidable within the industry (e.g., disbudding of calves), suppliers must utilize early intervention. Any procedures must be carried out by a trained and competent individual using the most humane techniques and recognized best practices with appropriate anesthesia and analgesia administered to minimize pain.
	Reduction or avoidance of antibiotics for prophylactic and routine metaphylactic use. (Q7*) Prohibited use of genetically modified cloned stock and of all growth promoting substances across all our livestock supply chains transformed in Danone’s factories	We encourage the reduction of prophylactic use of antibiotics globally and encourage focusing on the prevention of disease, using antibiotics only when required. Danone restricts the use of antibiotics to medically critical situations and does not routinely use antibiotics for farm animals in Europe. Danone is working with suppliers to reduce the use of antibiotics and is testing alternative methods to strengthen immune systems. For instance, we worked with a chicken supplier to eliminate antibiotic use through lower density, vaccination, and the use of herbal treatments. 2019: No use of routine antibiotics for 46% of chickens. 2020/2022: No use of routine antibiotics for 100% of chickens. No livestock transformed in Danone’s factories is allowed to originate from genetically modified or cloned stock. Our audits have shown that our suppliers, including dairy suppliers, are 100% compliant with this contract clause. The use of growth promoters is strictly prohibited across all our livestock supply chains transformed in Danone’s factories. 2006: Use of growth promoters banned from use in the European Union. 2020: Danone 100% compliant in the EU. 2021/2022: Global Danone 100% compliant. For milk via the AW assessment and via contracts with suppliers. 2023: Danone 100% compliant in the EU. 2026: Target to reach global commitment for all species in all geographies and in all Danone’s factories.

	Ending long-distance live transportation (Q8*)	Danone is committed to ending long distance live transport for all relevant species, limiting poultry and rabbits transport to maximum 4 hours and all other species to maximum 8 hours, and to securing the welfare of all species during live transport. Danone requires suppliers to adhere to these specifications and keep all live animal transport to a minimum and avoid transport longer than 8 hours. Animals should not be loaded, transported, or unloaded in a way likely to cause injury or undue suffering. Transport of live animals and all related operations must comply with relevant legislation. 2021/2022: 100% of all live animal transportation is below limits with transport not longer than 4 hours for poultry and rabbits and less than 8 hours for all other species. (Q47*) 2023: 84% of all live animal transportation is below limits with transport not longer than 4 hours for poultry and rabbits and less than 8 hours for all other species.
	Using humane methods of Pre-slaughter stunning (Q9*)	Danone is committed to pre-slaughter stunning for all species* to ensure insensitivity to pain before being processed in all geographies by 2026. * Except for wild fish, where there are currently no viable pre-stunning alternatives. In 2022/2023, 100% of the global volume of all relevant species in here, chicken, turkey, veal, lamb, farmed fish, dairy cows, beef cows, pigs and rabbits were pre-stunned. For poultry, we use controlled atmospheric stunning using inert gas or multi-phase systems, or effective electrical stunning without live inversion. For most pigs, electric/CO2 pre-stunning is used. For cows, captive bolt/stick pre-stunning is used. For lambs, electric pre-stunning is used. Electrical pre-stunning is also used for all farmed salmon, seabass, seabream, and trout. Not all pre-stunning is 'atmospheric stunning' using inert gas, or multi-phase systems yet; however, this will be rolled-out in the coming years.
	Ending the use of other inhumane practices (Q11)	Since 2022/2023, culling of day-old male chicks has been prohibited in Danone's EU shell egg supply chain. Danone is banning live plucking or harvesting for geese and other inhumane practices. For wild fish, there are currently no alternatives to the current method.

DETAILED COMMITMENTS AND PROGRESS PER SPECIES

SPECIES	COMMITMENTS/ PRIORITIES	PROGRESS ACHIEVED for all relevant species, practices, products and geographies. Scope is global and all percentages mentioned are Danone global supply chain.
Laying hens and eggs	100% cage free eggs, eggshells and egg	Our commitment is implemented in 100% of the contracts relating to eggs and egg ingredients and complies 100% with Danone's cage free pledge.

This refers to 2022 BBFAW question number.

	ingredients across all relevant brands and products in all business units and in all geographies by the end of 2020 (Q23*)	Table with animal welfare measurements in Danone global supply chain. <table><tr><th></th><th>2017</th><th>2018</th><th>2019</th><th>2020</th><th>2021</th><th>2022</th><th>2023</th></tr><tr><td>Cage free laying hens (Q29*)</td><td>43%</td><td>37%</td><td>83%</td><td>100%</td><td>100%</td><td>100%</td><td>100%</td></tr><tr><td>Laying hens free from beak trimming or tipping. (Q30*)</td><td>100%</td><td>100%</td><td>100%</td><td>100%</td><td>100%</td><td>100%</td><td>100%</td></tr></table> Since 2022, culling of day-old male chicks has been prohibited in Danone French shell egg supply chain. Danone will increase this percentage by supplying their eggs from a supplier with egg tracker techniques. AWARDS: 2017: CIWF Good Egg award for SN Food 2018: CIWF Good Egg award for Danone company		2017	2018	2019	2020	2021	2022	2023	Cage free laying hens (Q29*)	43%	37%	83%	100%	100%	100%	100%	Laying hens free from beak trimming or tipping. (Q30*)	100%	100%	100%	100%	100%	100%	100%																																								
	2017	2018	2019	2020	2021	2022	2023																																																											
Cage free laying hens (Q29*)	43%	37%	83%	100%	100%	100%	100%																																																											
Laying hens free from beak trimming or tipping. (Q30*)	100%	100%	100%	100%	100%	100%	100%																																																											
Broiler chickens	Achieving the requirements of the Better Chicken commitment/Euro-pean Chicken Commitment for broiler chickens by 2026. 20% free range or access to winter garden starting 2027	Danone is committed to the ECC in Europe which covers 100% of the global chicken supply across all brands. <u>In Europe (including France):</u> EU Broiler Ask includes the following criteria: • 100% chicken from farms with lower stocking density (30kg/m2), natural light and enrichments (pecking objects and perches, and manipulable materials such as wood and lucerne) by end of 2026. • Gas stunning in slaughterhouses. • 100% chicken from slower growing breeds (max growing rate 40g/day) by 2026. • Danone is committed to ending the use of high-performance breeds in 2026. Table with animal welfare measurements in Danone global supply chain. <table><tr><th></th><th>2016</th><th>2018</th><th>2019</th><th>2020</th><th>2021</th><th>2022</th><th>2023</th></tr><tr><td>Pre-slaughter stunning</td><td>-</td><td>-</td><td>53%</td><td>100%</td><td>100%</td><td>100%</td><td>100%</td></tr><tr><td>Gas stunning</td><td>-</td><td>-</td><td>-</td><td>60%</td><td>68%</td><td>75%</td><td>84%</td></tr><tr><td>No beak trimming</td><td>100%</td><td>100%</td><td>100%</td><td>100%</td><td>100%</td><td>100%</td><td>100%</td></tr><tr><td>Enriched environment</td><td>9%</td><td>-</td><td>-</td><td>33%</td><td>80%</td><td>87%</td><td>90%</td></tr><tr><td>Natural daylight</td><td>-</td><td>-</td><td>-</td><td>26%</td><td>99%</td><td>100%</td><td>90%</td></tr><tr><td>Slower growing breed (max 40 gr/day)</td><td>-</td><td>-</td><td>20%</td><td>7%</td><td>18%</td><td>18%</td><td>18%</td></tr><tr><td>Lower stock density (30kg/m2)</td><td>9%</td><td>33%</td><td>70%</td><td>26%</td><td>60%</td><td>60%</td><td>61%</td></tr></table> AWARDS:		2016	2018	2019	2020	2021	2022	2023	Pre-slaughter stunning	-	-	53%	100%	100%	100%	100%	Gas stunning	-	-	-	60%	68%	75%	84%	No beak trimming	100%	100%	100%	100%	100%	100%	100%	Enriched environment	9%	-	-	33%	80%	87%	90%	Natural daylight	-	-	-	26%	99%	100%	90%	Slower growing breed (max 40 gr/day)	-	-	20%	7%	18%	18%	18%	Lower stock density (30kg/m2)	9%	33%	70%	26%	60%	60%	61%
	2016	2018	2019	2020	2021	2022	2023																																																											
Pre-slaughter stunning	-	-	53%	100%	100%	100%	100%																																																											
Gas stunning	-	-	-	60%	68%	75%	84%																																																											
No beak trimming	100%	100%	100%	100%	100%	100%	100%																																																											
Enriched environment	9%	-	-	33%	80%	87%	90%																																																											
Natural daylight	-	-	-	26%	99%	100%	90%																																																											
Slower growing breed (max 40 gr/day)	-	-	20%	7%	18%	18%	18%																																																											
Lower stock density (30kg/m2)	9%	33%	70%	26%	60%	60%	61%																																																											

		2018: CIWF Good Chicken award outdoor access,						
Turkeys	100% turkey from farms with natural light and enrichments (pecking objects and platforms) by end of 2020. Move to 100% higher welfare systems (cage-free and enriched environment). 100% turkey from farms with lower stocking density and slower growing breeds by 2026.	Table with animal welfare measurements in Danone global supply chain.						
			2018	2019	2020	2021	2022	2023
		Pre-slaughter stunning	-	-	-	100%	100%	100%
		Free from confinement	-	-	8%	100%	100%	100%
		Daylight	-	-		100%	100%	100%
		Enriched environment	-	-	13%	25%	100%	100%
		Lower stocking density				EU 34%	EU 35%	EU 46%
		In 2021, 100% of the Turkeys from France were Label Rouge. This represented 18% of the global SN volumes.						
Pigs	All suppliers with action plan in place to phase out tail docking & teeth grinding by 2025. 100% of the farms with enrichments-chewable and friable by 2025. Phasing out the farrowing crates and sow stalls by 2030 for all relevant brands and products in all geographies (Q25*) (Q26*).	Good farming star system includes:						
		• Commitment to eliminate gestation crates/sow stalls; (allowing max 4 days after insemination) by 2025. • More space. • Enrichment material – e.g., strawbedding and toys. • Restrictions on tail docking. • No surgical castration - maximum transport duration for piglets is 6 hours and for pigs 8 hours.						
		Table with animal welfare measurements pigs in percentage of Danone global supply chain.						
			2017	2019	2020	2021	2022	2023
		No pigs castration	100%	100%	100%	100%	100%	100%
		Good Farming Star	62%	38%	39%	65%	63%	66%
		No routine anti-biotics	-	100%	100%	100%	100%	100%
		No routine teeth grinding	-	77%	39%	94%	96%	97%
		No routine tail docking	-	-	-	29%	33%	84 %
		Enriched environment	-	-	39%	94%	96%	97%
Free from confinement	-	-	39%	98%	98%	97%		

		<table><tr><td>Free from sow stalls</td><td>-</td><td>-</td><td>-</td><td>65%</td><td>79%</td><td>84%</td></tr><tr><td>Free from farrowing crates</td><td>-</td><td>-</td><td>-</td><td>0%</td><td>16%</td><td>18%</td></tr><tr><td>Pre-slaughter stunned</td><td>-</td><td>-</td><td>-</td><td>100%</td><td>100%</td><td>100%</td></tr></table> Danone is committed by 2030 to have: ○ Sows maximum 28 days in farrowing crates. ○ Gilts maximum 4 days in gestation stalls at insemination.	Free from sow stalls	-	-	-	65%	79%	84%	Free from farrowing crates	-	-	-	0%	16%	18%	Pre-slaughter stunned	-	-	-	100%	100%	100%																																			
Free from sow stalls	-	-	-	65%	79%	84%																																																				
Free from farrowing crates	-	-	-	0%	16%	18%																																																				
Pre-slaughter stunned	-	-	-	100%	100%	100%																																																				
Rabbits	Moving to 100% higher welfare systems (cage-free and enriched environment).	2018 / 2019 / 2020 / 2021 / 2022 / 2023: 100% cage-free rabbits coming from environments with: • Pens (min 800cm2/rabbit, min length 1,8m, no height restriction). • Comfortable flooring like plastic min 80%. • Platforms, gnawing objects, hiding spaces, hay or straw. • No routine use of antibiotics. 2020 / 2021 / 2022 / 2023: 100% enriched environments. 2022/2023: 100% pre-slaughter stunned.																																																								
Lambs	100% with access to pasture and free from confinement	2020 / 2021 / 2023: 100% of the lambs were castration free and were stunned before slaughter (electric stunning). 2023: 100% access to pasture.																																																								
Beef & calves	100% suppliers with group housing, pasture and comfortable fiber bedding, Colostrum provided within 6 hours	Table with animal welfare measurements in Danone global supply chain. <table><tr><td></td><td>2017</td><td>2018</td><td>2019</td><td>2020</td><td>2021</td><td>2022</td><td>2023</td></tr><tr><td>Free from confinement/feed-lots (Q41*)</td><td>-</td><td>-</td><td>-</td><td>100%</td><td>100%</td><td>100%</td><td>100%</td></tr><tr><td>Group housed throughout rearing for all calves. Including beef and veal (Q42*)</td><td>53%</td><td>88%</td><td>100%</td><td>100%</td><td>100%</td><td>100%</td><td>100%</td></tr><tr><td>Free from tail docking</td><td>-</td><td>-</td><td></td><td>94%</td><td>100%</td><td>100%</td><td>100%</td></tr><tr><td>Free from dehorning (Q43*)</td><td>-</td><td>-</td><td>98%</td><td>99%</td><td>100%</td><td>100%</td><td>100%</td></tr><tr><td>Free from hot iron branding</td><td>-</td><td>-</td><td>-</td><td>-</td><td>100%</td><td>100%</td><td>99%</td></tr><tr><td>Pre-slaughter stunned</td><td>-</td><td>-</td><td>-</td><td>-</td><td>100%</td><td>100%</td><td>100%</td></tr></table> The calves have 100% group housing, with comfortable fiber bedding, and get colostrum within 6 hours.		2017	2018	2019	2020	2021	2022	2023	Free from confinement/feed-lots (Q41*)	-	-	-	100%	100%	100%	100%	Group housed throughout rearing for all calves. Including beef and veal (Q42*)	53%	88%	100%	100%	100%	100%	100%	Free from tail docking	-	-		94%	100%	100%	100%	Free from dehorning (Q43*)	-	-	98%	99%	100%	100%	100%	Free from hot iron branding	-	-	-	-	100%	100%	99%	Pre-slaughter stunned	-	-	-	-	100%	100%	100%
	2017	2018	2019	2020	2021	2022	2023																																																			
Free from confinement/feed-lots (Q41*)	-	-	-	100%	100%	100%	100%																																																			
Group housed throughout rearing for all calves. Including beef and veal (Q42*)	53%	88%	100%	100%	100%	100%	100%																																																			
Free from tail docking	-	-		94%	100%	100%	100%																																																			
Free from dehorning (Q43*)	-	-	98%	99%	100%	100%	100%																																																			
Free from hot iron branding	-	-	-	-	100%	100%	99%																																																			
Pre-slaughter stunned	-	-	-	-	100%	100%	100%																																																			

Wildfish	Certification compliance (MSC Fisheries Standard for wild fish)	Under Socrates program, the Specialized Nutrition Business implemented a project to guarantee that the catching methods of fishes bought by Danone do not impact the renewal of wild fish stock. The Marine Stewardship Council (MSC) Fisheries Standard for wild fish sets out requirements to claim well-managed and sustainable sources. Danone committed to having 100% of its fish sourced from sustainable fishing /aquaculture through MSC certification and Pole and Line certification. 2018: 100% of our wild fish were certified (89% MSC certified and the remaining 11% Pole & Line certified). 100% of our wild tuna volumes were Pole & Line certified. 2019: 100% of our wild fish were certified (90% MSC certified and the remaining 10% Pole and Line certified). 100% of our wild tuna volumes were Pole and Line certified. 2020: 100% of our wild fish were certified (91% MSC certified and the remaining 9% Pole & Line certified). 100% of our wild tuna volumes were Pole & Line and Dolphin friendly certified. 2021: 90% of our wild fish were certified MSC. Tuna is 100% Pole & line and Dolphin friendly. 2022: 98% of our wild fish were MSC certified. 100% of the Tuna volumes were Pole & Line and Dolphin friendly certified. 2023: 94% of our wild fish were MSC certified																												
Farmed fish (Salmon, seabass, sea-bream and Trout)	Pre-slaughter stunning, fasting, and stocking	Fish fin clipping has been forbidden. 2021: 84% of the farmed salmon has a stocking density of 10kg/m3 or less. 2022: 100% of farmed fishes were pre-stunned electrically. 100% were free from fasting lasting longer than 72 hours. 83% of the farmed fish had a stocking density of 10kg/m3 or less. 2023: 91% of farmed fishes were pre-stunned electrically (excluded trout). 100% were free from fasting lasting longer than 72 hours. 83% of the farmed fish had a stocking density of 10kg/m3 or less. Table with animal welfare measurements in Danone global supply chain. <table><tr><th></th><th>2018</th><th>2019</th><th>2020</th><th>2021</th><th>2022</th><th>2023</th></tr><tr><td>Pre-slaughter stunning farmed fish</td><td></td><td></td><td></td><td></td><td>100%</td><td>100%</td></tr><tr><td>Farmed fish fasting > 72 hours</td><td>-</td><td>-</td><td>-</td><td>-</td><td>100%</td><td>100%</td></tr><tr><td>Farmed fish stocking density 10kg/m3</td><td>-</td><td>-</td><td>-</td><td>84%</td><td>83%</td><td>79%</td></tr></table>		2018	2019	2020	2021	2022	2023	Pre-slaughter stunning farmed fish					100%	100%	Farmed fish fasting > 72 hours	-	-	-	-	100%	100%	Farmed fish stocking density 10kg/m3	-	-	-	84%	83%	79%
	2018	2019	2020	2021	2022	2023																								
Pre-slaughter stunning farmed fish					100%	100%																								
Farmed fish fasting > 72 hours	-	-	-	-	100%	100%																								
Farmed fish stocking density 10kg/m3	-	-	-	84%	83%	79%																								

SPECIES	COMMITMENTS/ PRIORITIES	PROGRESS ACHEIVED BY 2022 for global Danone supply chain.						
Dairy Cows for Fresh Milk	OVERALL DATA	Table with overall tonnage of milk sourced by Danone worldwide.						
				2019	2020	2021	2022	2023
		Tonnage of milk sourced by Danone worldwide	Ktons	5.196	5.144	5.567	5.100	4.045
		Main sourcing regions						
		Europe	%	30	29	26	26	34
		CIS	%	24	24	23	23	1
		North America	%	20	21	29	29	37
		Latin America	%	12	11	10	11	9
		Other regions	%	14	15	11	11	19
Dairy Cows for Fresh Milk	By end of 2020: 80% fresh milk volumes worldwide assessed through the new animal welfare assessment tool or via Validus Animal Welfare certification. By end of 2021: Assessing all farms where Danone directly sources fresh milk and start re-assessing farms	Details on Danone’s animal welfare assessment tool: Danone developed an animal welfare assessment tool and has been progressively rolling it out in 14 countries where we source milk. <u>Including:</u> Belgium, France, Spain, Germany, Poland, Romania, South Africa, Egypt, Algeria, Russia, Mexico, Brazil, Argentina and the USA. NOTE: In the USA the deployment of the assessment tool has been introduced, on top of the VALIDUS certification. 2018: 43% (938 assessments in 13 countries). 2019: 81% (2607 cumulative assessments in 14 countries). 2020: 87% (3091 cumulative assessments in 14 countries). 2021: 87% (2767 cumulative assessments in 14 countries). 2022: 80% (2628 cumulative assessments in 14 countries). 2023: 91% (2.900 cumulative assessments in 12 countries) This assessment tool is allowing for greater monitoring and compliance. Farmers found noncompliant are asked to put corrective action plans into place. At the end of 2020, 8% of active farms were not compliant; in most cases this was due to dehorning. All these farms have an action plan to become compliant and will be re-assessed accordingly. If there has been no improvement and they are still non-compliant after 2 re-assessments, farm collection will be stopped. The average score from all farms assessed was 67 points (between 0 – 100). In total, there are over 400,000 cows involved in the assessments. In Belgium, France and Spain, the assessment score has become part of the milk premium system integrated in the milk delivery contract. Compliance entails 4 critical criteria: no dehorning, no tail docking, feed safety and no use of GMO/cloned animals or animal products. Non-compliance can result in the termination of milk delivery contracts. Premiums also depend on the AW assessment score. In Spain for example, if farmers are unable to reach compliance, contracts are not renewed. In 2019 <u>Danone Spain was certified</u> for both the assessment protocol and the European Welfare Quality Animal Welfare scheme by AFNOR.						

		- Danone's animal welfare assessment tool was presented as best practice by CIWF, at the International Dairy Federation (IDF) congress in Dublin in November 2017, as well as additional CIWF events in 2018. In 2019 the tool was digitalized for use on tablets. Details on Validus certification: 2018: In the United States, 90% of conventional fresh milk came from Validus certified farms. 2019: For the full milk supply in the USA – both conventional and organic milk – 76% came from Validus-certified and/or -assessed farms. 2020: For the full milk supply in the USA, 85% of the milk volume came from Validus certified and/or assessed farms. 2021: Validus is only used in the US but since the US team has introduced their own program called “Quality and Care” (QnC) some farms only used this system and no longer used Validus. In 2021 51% of the total US milk volume was from farms that were Validus certified. It is no longer required to have the Validus certification on Animal Welfare, but they do have to be assessed in the QnC program. The QnC program includes all criteria of the Danone AW assessment. 2023: Danone North America has assessed 100% of all fresh milk suppliers on animal welfare by the QnC audits. Validus certification is awarded to farms that demonstrate compliance with specific standards and criteria including: - Proper animal handling and management. - Herd health procedures and care. - Food and water quality standards. - Housing that promotes animal comfort and cleanliness. - On-farm security procedures. - Proper care of special needs animals. - No tail docking. Improvements in 2021-2022: - Assessed all new farms from which Danone directly sources fresh milk. - Deployed an update of the assessment grid with renewed priorities. This included increasing thresholds and some additional new criteria for youngstock. - Adjusted the digital tool and re-trained all assessors. The digital animal welfare tool being fully deployed, we are using a digital application to review results and benchmark the farms.
	Raise Danone employee and farmer awareness on animal welfare	In 2018, Danone organized a series of animal welfare training sessions with partners such as CowSignals in the Netherlands, IRTA University in Spain and in Germany (with employees from Poland, Romania and Belgium attending), and Phylum in France. Employees in South Africa, Brazil, Argentina, and Mexico were trained by local certified CowSignals trainers. Improvements 2023: Ad hoc technical workshops were organized in Russia (including a demonstration on Danone's training farm on how to convert a tie-stall barn to a free stall barn). In the US, it is part of on farms employee integration. # Total training sessions in 2017: 10 training sessions in 10 countries, with 97 staff members participating and 78 farmers trained. # Total training sessions in 2018: 9 training sessions in 7 countries, with 180 staff members participating and 1,020 farmers trained.

		# Total training sessions in 2019: 9 training sessions, both physical and video training for 11 countries with 120 staff members participating and 880 farmers trained. # Total training session in 2020: Due to COVID no live training sessions have been executed: 1 (online) CowSignal training dedicated on Animal welfare with 7 key Danone stakeholders. For 2021 dedicated AW trainings were prepared for the assessors in relevant countries, Danone colleagues, and farmers. # Total training session in 2021: Animal Welfare is a dedicated part of Reg Ag and therefore also in the alliance Farming for Generations. In 2021 there were more than 11 online and offline trainings, webinars, or demonstrations on farm in seven countries reaching in total 760 farmers. # Total training session in 2022: In 2022, 350 farmers were engaged in trainings in 8 countries. Local teams were also involved in trainings. #Total training session in 2023: in 2023, over 200 farmers were engaged in dedicated sessions and trainings in 3 countries. New team members and farm relationship managers were trained on the execution of the assessment. Animal welfare is a key pillar of Regenerative Agriculture. Best practices, thematic factsheets and tools can be found on Danone Knowledge Center website: Regenerative Agriculture Knowledge Center (danone.com) (For the Login part please send a request by using the contact form). There have been internal “Lunch and learn” sessions to showcase the website and the information. In addition, we highlighted the importance of animal welfare as part of sustainable diets, in an open-access training course co-developed with UNITAR for all Danone employees (published in 2019). Several Danone brands are informing their customers about animal welfare and the promotion of plant-based foods, including: Happy Family, Blédina, Alpro, Silk (Q20/22*).
	Achieve higher welfare standards while improving performance for farmers	In 2017, we started a pilot on three farms in Belgium to reduce antibiotics prophylaxis usage while improving youngstock rearing, udder health management and farm profitability (via reduced treatment costs). In 2018, young stock rearing improved drastically with incidence of disease reduced to zero on all three farms. On the farm affected by udder-related health issues, milk quality improved by 30% and mastitis incidence was reduced by over 40%. The cost associated with addressing these conditions was consequently reduced by 30,000 euros. Following these positive results, the pilot will be expanded to Russia, Brazil, USA, Spain, and Argentina. In 2019: • We developed a disbudding toolkit, including a poster about the procedure, movie, and list of materials and advice on the best tool. We activated the toolkit in Mexico with large farm managers and staff involved in the training of small holders. • The Danone-owned farm in Russia, with 1,300 cows, reduced the incidence of calf disease to 0. • In France, we began a 3-year program with CIWF, with the aim of improving dairy cattle welfare through monitoring and training, as well as piloting and disseminating best practices. In 2020 due to COVID restrictions fewer activities were deployed on farms:

		• A group of dairy 7 nutritionist from the Canadian Coop Nutrinor were trained on the use of the assessment grid to both improve animal welfare and farm results. • We established a strong relationship with the milk procurement team of PepsiCo in Russia. We held a training on the current assessment grid, feedback session on the potential improvements in Russia and tailored joint approach on eliminating tail docking in Russia. The PepsiCo team is piloting the assessment and farmer approach in their supply chain in Russia. In 2021, still with many COVID restrictions in place we deployed the following: • The Farming for Generations program started pilots in Europe and USA focused specifically on animal welfare, including on earlier grouping of calves, heat stress reduction in France and reduction of mastitis cases in Russia, and Germany. • In total 6 Dedicated WebTalks about improving welfare on farms were broadcast. • 2 Virtual farm tours in which farmers in the US showed progress on farms via a livestream to the global audience. In 2022: • A European farm tour was organized to facilitate peer-to-peer learning between a large US dairy farmer and smaller farms in Germany, Poland, and Romania. Farmers learned about the latest animal welfare pilots and shared best practices on housing, heat stress reduction and improving animal health. • 35 Young farmers in Belgium were trained on the selective use of antibiotics at dry off. • Article in Danone France Milk magazine on heat stress reduction, shared with all 1600 farmers. In 2023: • Danone has started a global program called “Partner for Growth” (P4G). In this program Danone has set an ambitious target in our fresh milk collect, namely, to improve longevity of the cows by adding 1 more lactation to the productive life of the dairy cows. Since health issues are the most common reasons for cows to be culled, this where the focus lies. On top improving health will also improve welfare of the cows. By partnering with a global animal health company and formalized by an official signature under a so called “Joint Business Development Plan” Executive leaders of both companies have signed this JBPD. Both partners are dedicated to deliver this target.
	Encourage progress and reward best practices	In 2019, Danone Spain <u>rewarded best animal welfare practices</u> among the 300 farms with which they worked. In 2020, Danone opened a dedicated fund to support farmers in improving their Regenerative Agriculture practices. In the US a total of 175,000 USD was spent on installing over 200 cow comfort brushes in barns as well as pastures. Another 125,000 USD was spent to purchase close to a 1000 calf jackets to comfort small calves during cold periods, particularly on smaller farms. In 2021 Danone was awarded with the CIWF Special Recognition in Innovation reward. Pasture access: In the assessment tool version 1, created in 2017, the criteria on pasture access for milking cows was set for at least 100 days per year and 4 hours per day. In 2022 the assessment tool (V3) was updated and deployed in the first countries. Here the criteria on pasture access were set at 120 days per year and 6 hours per day. In 2021 21% of milk cows had pasture access.

	In 2022 22% of milk cows had pasture access. In 2023; 27% of milk cows had pasture access. Where 1% of the global milking cows, producing 1% of the total milk volume had access to pasture at least 120 days per year and at least 6 hours per day.
Strengthening cooperation with partners specialized in Farm Animal welfare	In 2017, Danone launched CowAct with Wageningen University, a global program aimed at implementing sustainable agricultural practices, including animal welfare. In June 2019, Danone and 7 other agricultural sector leaders announced the launch of <u>Farming for Generations</u>, a unique, global collaboration to support dairy farmers in adopting regenerative agricultural practices that preserve and renew our planet's resources, respect animal welfare and ensure the long-term economic viability of farms for the next generation. Farming for Generations will initially work together with 25 dairy farms in the USA, the EU and Russia to identify best practice solutions and innovations – including for animal welfare – across different farming models, farm sizes and geographies, to be shared and scaled up. In 2020 the Farming for generations project deployed/completed 7 projects focused on improving animal welfare on dairy farms, from improving udder health, grouping young calves at an earlier age, to a holistic approach of improvements. - Danone joined 2 research initiatives in the EU on animal welfare: Best practices for the welfare of dairy calves and cows (SANTE/2021/OP/0001 - SANTE/2020/G5/050). - Develop animal welfare program in Europe (HORIZON-CL6-2021-FARM2FORK-01-05: Animal welfare 2.0). In 2021 and 2022, Danone France contributed financially to research on the reduction of heat stress in lactating cows in France. The project was led by Phylum together with Idele. Danone was a silver sponsor of the 2021 annual Dairy Cattle Welfare Symposium.
Eliminate tail docking from our supply chain	In 2017, we included a new KPI on tail docking in our milk quality assessment tool MilQsat (ex-FaRM). Thanks to the assessment run in 2017 and to the Validus certification for 90% of our volumes in the US, we were able to verify that tail-docking is not in practice more than 50% of our milk supply worldwide. We discovered two cases of tail docking in Germany and two cases in Spain and were able to collaborate with farmers to eliminate the practice. In 2018, we strengthened our approach via the roll-out of our new assessment tool and took concrete actions to prevent the practice (ex. technical workshop in Russia). The new assessment tool identifies farmers who carry out the tail-docking practice and attributes a 0 in the assessment score. An action plan is immediately put in place to resolve the issue and then followed by another assessment to monitor its implementation. We identified only 2 farms (total 1200 cows) in South Africa where tail docking was performed and successfully committed the farmers to ending the practice. In 2019, with the completion of the global assessment on 80% of our milk volume, we identified another 56 farms that practiced tail docking. 30 in Russia, 21 in Brazil, 4 in France and 1 in South Africa. In total this impacted 49,000 (7% of global) cows. For these farms, the assessment result was zero and a clear action plan was established to stop this practice within a specified timeframe, with a follow-up verification to occur.

		In 2020, tail docking practices were reduced but still affected around 40.500 cows (6% of global cows). In 2022, 96% of the cows were free from tail docking. In 2023, 100% of the cows in the global fresh milk portfolio are free from tail docking as a farm practice. By 2025: No dairy cows with dehorning and tail docking. See Table 1 in the Annexes for further details on fresh milk supply chain welfare practices.
--	--	--

ANNEXES

Table 1:

Table with the percentage of the total global Danone fresh milk supply chain.

Milk cows	2019	2020	2021	2022	2023
Free from confinement (Q38*)	91%	91%	96%	96%	98%
Pasture access (Q39*)	-	-	21%	22%	27%
Free from tail docking	93%	94%	96%	96%	100%
Free from dehorning (Q40*)	98%	99%	99%	99%	99.9%
Free from hot iron branding	-	-	100%	100%	100%
Pre-slaughter stunned (for cows captive bolt/stick stunning)			100%	100%	100%
Free from tethering (Q38*)	91%	91%	96%	96%	98%

Table 2:

Welfare outcome and key performance indicators Dairy (Q18*)

The on-farm dairy assessment tool is a combination of gathering KPI's, interviewing the farm manager and animal observations. In the process of the assessment, depending on criteria and performance, points, are gathered. After completion, the total sum of points defines the score and that lies between 0 and 100, with a higher score meaning a better one.

Criterion	KPI	Score	KPI	Score	KPI	Score
Flight distance (% of cows flight > 2m)	< 5%	7	>= 5% and <25%	3	>25%	0
BCS (% of cows BCS <=2)	<5%	7	>= 5% and <15%	3	>15%	0

Hock lesions (% of cows with swelling or lesions)	0%	7	>0% and <5%	3	>5%	0
Lameness (% of cows with severe or moderate lameness)	< 5% severe and <15% moderate	7	>= 5% and <10% severe OR >=15% and <25% moderate	3	>=10% severe OR >25% moderate	0
Mortality (average % over last 12 months)	<5%	7	>=5% and <20%	3	>=20% or no record	0
Culling rate (average % of culled cows over last 12 months)	<20%	0	>= 20% and <30%	0	>=30%	0
SCC (last 3 months geometric average)	<200.000	3	>=200.000 and <300.000	1	>= 300.000	0

Table 3:

Results from the dairy farm assessments in the year. Scope is total global Danone fresh milk supply chain.

Criterion		2018	2019	2020	2021	2022	2023
Flights distance	Average points	6,0	6,0	6,3	6,5	6,2	6,4
Body Condition Score	Average points	5,1	6,2	6,4	6,3	5,9	4,5
Hock lesions	Average points	4,7	5,5	5,6	5,6	5,7	6,0
Lameness	Average points	6,3	5,9	6,4	6,7	6,3	6,4
Mortality	Average points	5,9	5,7	5,8	5,6	5,6	5,7
	Rate%	3,7%	4,0%	4,2%	4,5%	3,8%	3,8%
Culling	Rate%	20,9%	21,1%	23,7%	23,9%	22,5%	24%
SCC	Average points	2,1	1,8	1,6	1,9	1,9	1,9
	(*1000)	220	228	233	205	223	230

EXTERNAL INFORMATION

- Organic milk from Normandy 'Les Prés Rient Bio' labeled Fair for Life: <https://www.danone.com/fr/stories/articles-list/presrientbio-fairforlife.html>
- Danone's care for animals, recognized by AENOR: <https://www.danone.es/es/granjasfamiliares/bienestar-animal.html>
- Caring for our Cows: <http://www.mvpdairyllc.com/meet-the-cows/>
- Partnerships for sustainable dairy (Wageningen): https://www.google.com/url?sa=t&rct=j&q=&esrc=s&source=web&cd=&cad=rja&uact=8&ved=2ahUKE-wifmsjsxdPwAhVJBWMBHcSTACUQFnoECCUQAA&url=https%3A%2F%2Fwww.wur.nl%2Fen%2Fdisplay%2FBrochure-Partnerships-for-sustainable-dairy-1.htm&usq=AOvVaw1yEoF_4Mn8n4njh_DoQAUM
- Danone and Bureau Veritas for animal welfare: <https://www.bureauveritas.fr/magazine/bureau-veritas-engage-aux-cotes-de-danone-en-faveur-du-bien-etre-animal>
- Danone and Phylum: 10 years of collaboration, Danone at the top of the list of companies in BBFAW [French version]: <https://www.phylum.fr/blog/10-ans-de-collaboration-sur-le-bien-etre-animal-avec-danone-en-tete-des-entreprises-francaise>
- Increasing grazing surface for dairy cows to lower farm carbon footprint: <https://www.danone.com/fr/stories/articles-list/farmers-projects-support.html>
- Danone first French company for animal welfare: <https://www.agra.fr/agra-presse/bien-etre-animal-lagroalimentaire-francais-bien-place-sans-etre-leader>
- & <https://www.cnr-bea.fr/2020/04/06/bien-etre-animal-agroalimentaire-francais/>
- Support farmers in their transition to Regenerative Agriculture: <https://www.danone.com/fr/stories/articles-list/supporting-dairy-farmers.html>
- Josep Maria of Can Ribas and animal welfare: <https://www.danone.com/stories/articles-list/josep-maria-can-ribas.html>

Social media:

LinkedIn:

- Phylum guide for animal welfare, in partnership with Danone: https://www.linkedin.com/posts/cees-jan-hol-lander-94892114_animalwelfare-producteur-dairy-activity-6800497747507060736-w73K
- Danone and the best farms in terms of sustainable practices:
 - https://www.linkedin.com/feed/update/urn:li:activity:6771014761434910720/?updateEntityUrn=urn%3Ali%3Afs_feedUpdate%3A%28V2%2Curn%3Ali%3Aactivity%3A6771014761434910720%29
 - https://www.linkedin.com/feed/update/urn:li:activity:6770734318718377984/?updateEntityUrn=urn%3Ali%3Afs_feedUpdate%3A%28V2%2Curn%3Ali%3Aactivity%3A6770734318718377984%29
 - https://www.linkedin.com/feed/update/urn:li:activity:6781269836606537728/?updateEntityUrn=urn%3Ali%3Afs_feedUpdate%3A%28V2%2Curn%3Ali%3Aactivity%3A6781269836606537728%29
- Promote regenerative agriculture:
 - https://www.linkedin.com/feed/update/urn:li:activity:6790541734414815232/?updateEntityUrn=urn%3Ali%3Afs_feedUpdate%3A%28V2%2Curn%3Ali%3Aactivity%3A6790541734414815232%29
- Advising farmers on farm animal welfare:
 - https://www.linkedin.com/feed/update/urn:li:activity:6690938835917918208/?updateEntityUrn=urn%3Ali%3Afs_feedUpdate%3A%28V2%2Curn%3Ali%3Aactivity%3A6690938835917918208%29

This refers to 2022 BBFAW question number.