



LIVING OUR COMMITMENT

to **responsible marketing**
of baby formula

2024 Report



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WHY WE PUBLISH THIS REPORT

At Danone, our mission is to bring health through food to as many people as possible. We are committed to supporting the health of babies and the well-being of parents, understanding that the right nutrition is key for health in early life and beyond.

With over 50 years of experience in breastmilk research, at Danone, we recognize breastfeeding as the optimal form of nutrition when it comes to feeding a baby, and we believe it must be protected and promoted. However, not all parents can or choose to breastfeed their baby. This is why we are committed to developing high-quality, evidence-based baby formula that is inspired by everything we know about breastmilk. We work with researchers, healthcare professionals and other partners to ensure that we positively impact babies and parents everywhere. **This includes promoting breastfeeding and fostering a supportive environment for parents, regardless of their feeding choices.**

As a leading provider of baby formula **we have an important duty to market our baby formulas responsibly, never dissuading parents from breastfeeding.** How we act upon that responsibility is outlined in our industry-leading Danone Policy for the Marketing of Breast Milk Substitutes (BMS) (or BMS Policy), which sets out our global standards for the responsible marketing of baby formula.

In this report, **we highlight our progress and transparently disclose any instances of non-compliance with our strict global policy,** whether by Danone or our partners, such as distributors and retailers. It is based on independent external assessments and our own monitoring. We also share the steps we are taking to address and improve our practices when we fall short of our Danone BMS policy.

Our 2024 highlights include proof-points of our ongoing commitment to training and improving our internal processes. We trained over 6,100 employees on our Danone BMS Policy. We also advanced our internal reporting systems with a new centralized online platform, which tracks, manages, and reports on allegations globally. This platform enables us to continue to uphold the highest standard of compliance and integrity everywhere we operate.

Looking ahead, we are proud to continue living our commitment to responsible marketing of baby formula through **our evolved Baby Formula Marketing Standards (BFMS).** We believe that these new standards, published in 2024 and globally implemented by the end of 2025, better reflect modern parenting realities, grounded in scientific evidence.

When it comes to the marketing of baby formula, we are committed to doing better every year. Publishing this report and transparently communicating about our progress, enables us to continuously raise the bar in the responsible marketing of baby formula.

March 2025



Jean-Marc Magnaudet
President Danone Specialized Nutrition

EXECUTIVE SUMMARY

What is this report?

Each year, Danone publishes a **report detailing its compliance with the Danone Policy for the Marketing of Breast-Milk Substitutes (BMS Policy)**. We strive to continuously improve our practices and transparently report our progress in the field of responsible marketing of baby formula based on independent external assessments, alongside our own monitoring.

External assessment and verification of our practices

We rigorously monitor, report and review our own efforts – but to **ensure our approach is as robust as possible, we make sure we work with qualified, external, third-party experts** to provide an independent assessment on how we are doing. This includes independent audits in at least two markets every year.

Working with **Bureau Veritas, ATNI, FTSE4Good & B Corp** gives us valuable external perspectives on what's working well and what can be improved. We believe that external monitoring enhances the compliance and integrity of responsible marketing practices of individual companies, and ultimately, the entire industry.



2024 IN NUMBERS

6,104



employees were trained in 2024 on the Danone BMS Policy (6,349 in 2023), prioritizing in 2024 key functions directly involved with marketing and sales of our baby formula.

At the end of 2024,

92.8%



of all businesses of Danone, in sales value, were certified by

B-Corp, including entities involved in BMS marketing, which need to follow enhanced transparency standards.

We continue to monitor allegations and act upon them. In 2024 we received



129

substantiated allegations, mainly due to activities initiated by non-contracted third parties (versus 184 in 2023).

DELIVERING ON OUR COMMITMENT TO RESPONSIBLE MARKETING OF BABY FORMULA

We are convinced that business can be a force for good, and that we can create and share sustainable value for all key stakeholders by using our scale for positive economic, social, and environmental impact. Our approach to the responsible marketing of baby formula enables us to support breastfeeding and offers parent high quality nutrition for their babies, also when they cannot or choose not to breastfeed.



Pioneering global marketing policy: Empowering parents

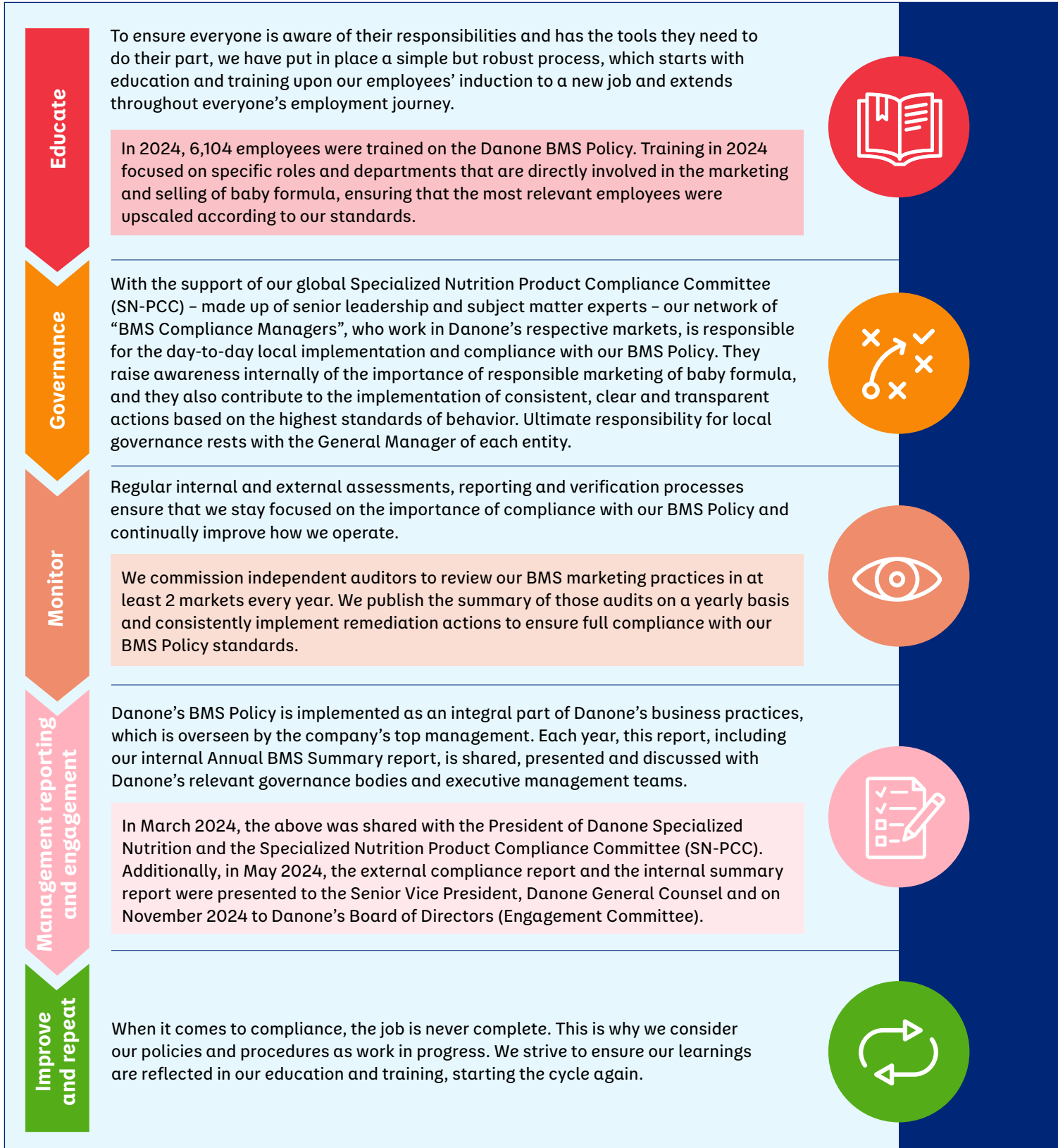
In 2016, Danone decided to pave the way by becoming the first company worldwide to not advertise or promote infant formula for children aged 0-6 months, anywhere in the world, even if permitted by local laws. We also voluntarily extended our Policy to 12 months in parts of the world where infant health is most at risk (as classified by the FTSE4Good BMS Criteria and our BMS Policy), to help encourage breastfeeding. Since then, we have seen other companies unilaterally joining this movement to adopt global standards for the marketing of baby formula, which has created a positive momentum in the industry.

Our BMS Policy is embedded across our business in every geography, often going beyond local market regulation to ensure high responsible marketing standards, no matter where we are operating.

Danone supports the World Health Organization's (WHO) global public health recommendation calling for exclusive breastfeeding for the first six months of age and continued breastfeeding up to two years and beyond, combined with the safe introduction of appropriate complementary foods.

EMBEDDING HIGH STANDARDS ACROSS OUR BUSINESS

All of us at Danone working in early life nutrition, from our scientists to those working in marketing, sales and distribution, to our senior executives, are responsible for making sure we consistently meet the high standards we have set ourselves for the responsible marketing of baby formula.



OUR PEOPLE SET THE STANDARD

Employees who work on Danone's baby formula portfolio commit to abide by Danone's BMS Policy when they join the company. Our staff is regularly trained on the importance of following Danone's BMS Policy. Consequently, it is our people who live our commitment by implementing our policy as a fundamental component of our business practices across all teams thanks to various awareness trainings and initiatives.



I am proud to ensure compliance with our BMS Policy, which guides our behaviors and upholds the highest standards of responsible marketing. At the same time, we strive to educate parents and healthcare professionals about our breakthrough sciences in early life nutrition. Our new Allegation Management System enhances the efficiency of our global reporting. This is a perfect example of our commitment to continuous improvement.

Philip Kwan | Hong Kong SAR, China



I take pride in working for a company that places compliance at the core of its operations, especially in Africa where infant and maternal health are particularly relevant topics. We have implemented a new tool that archives the reporting and tracking of our BMS allegations, ensuring we meet the requirements of our BMS Policy. Our commitment is to continuously improve and set a positive example.

Fanny Lebouc | Africa



I'm proud to work for a company that embraces responsible marketing of formula, acknowledging that breastfeeding is the best choice. Whilst recognizing not all feeding journeys are the same.

Jessica Campbell | USA

Our extensive reporting covers retail practices

To impact the wider ecosystem at scale, we do not limit our reporting to alleged instances of non-compliance attributable to Danone and contracted third parties (e.g. distributors), but we also report on other third parties, like retailers.

Because we believe we have a role to play in raising awareness of the importance of responsible marketing of baby formula, we work with retailers, e-commerce and pharmacies to increase awareness and encourage them to adopt responsible marketing standards for BMS products to the extent permitted by local anti-trust rules.

Training our partners to fulfill their role

We have a duty to promote and advocate responsible business practices across our value chain and partnerships.

Therefore, we aim to provide comprehensive training to all partners that we work with on a contracted basis, to ensure they can fully comply with our BMS Policy. We actively support and encourage third party organizations we work with to familiarize themselves with and implement responsible formula marketing practices.



Worldwide policy with infant and maternal health at its heart.



Global implementation support and oversight with clear individual accountability in markets.



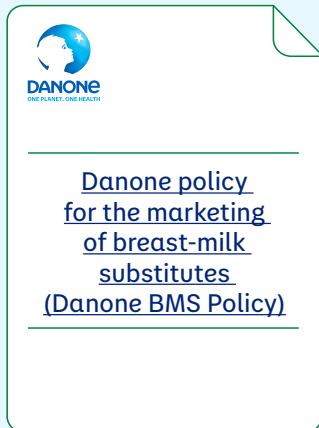
Constant monitoring for improvement with a commitment to conduct three country evaluations and an independent assessment of our approach.

Deployment of third-party training and awareness toolkit

In 2024, we have continued the roll-out of the training and awareness toolkit for our contracted and non-contracted retail and e-retail partners. This toolkit comprises information and clarification on responsible marketing of breast-milk substitutes, as well as available options

to raise external awareness about our BMS Policy for our commercial third parties through direct contact and clear, simple engaging communication training materials, within the boundaries of anti-trust rules.

Bringing responsible marketing practices to the wider ecosystem



Supporting breastfeeding in the workplace

At Danone, we believe that breastfeeding should be supported through policies that create an environment where parents feel empowered to do so.

Our established global parental policy, recognized by UN Women, ensures parental leave for all employees, whether they are women or men, biological or adoptive parents, regardless of their location.

Additionally, lactation rooms are available in all Danone offices with more than 50 people and as a company, we provide job protection, flexible working hours, and return-to-work programs to support the diverse needs of parents and caregivers.



Our lactation room at our Paris, France office



Embodying our commitment to infant and maternal nutrition and health.

In 2024, we extended our partnership with UNITAR for the Breastfeeding Education Initiative for 6 more years. This partnership embodies our commitment to protecting and promoting breastfeeding. The first module of UNITAR's e-course The Magic Drop "Essentials of Breastfeeding" is available to all our Danone employees, and up to the end of 2024, we have trained over 3,000 employees on this module.

In 2024, we also published **our internal guidelines in respect to packaging re-designs** to enable parents and caregivers to better differentiate between BMS and non-BMS products (as defined by local law or by our BMS Policy where this goes beyond local legislation). The new pack designs will be implemented as of 2025.

Improving our internal processes with new tools

In 2024, we advanced our internal allegation reporting process with the new Allegation Management System.

This tool streamlines the tracking process with a user-friendly interface, providing actionable insights efficiently. **It offers real-time visibility and a comprehensive overview of all allegations**, ensuring preparedness for improvements with automatically generated reports.

The centralized data enhances collaboration and communication, fostering seamless teamwork. Moreover, the Allegation Management System upholds our integrity by promoting a culture of accountability and transparency.

Additionally, the Allegation Management System empowers faster data-based decisions and better control of progress and gaps. By providing real-time data and comprehensive reports, it enables swift identification of issues and timely interventions, ensuring continuous improvement and effective management.



B Corp certification as a mark of transparency and accountability

By the end of 2024, 92.8% of all businesses of Danone, in sales value, were B Corp certified, including entities involved in BMS marketing. Since 2022, multinationals like Danone involved in BMS marketing are only eligible for global B Corp certification when meeting **updated disclosure requirements and marketing standards** as defined by B Lab and its independent Standards Advisory Council. In 2024, Danone embarked on the B Corp certification process for all its headquarters, including the Specialized Nutrition HQ in Amsterdam.

B Corp certification is a mark of trust; it indicates that a company is operating in a way that meets high standards of social and environmental performance, transparency and accountability, as assessed by the third-party nonprofit organization B Lab.

Danone's ambition is to achieve global B Corp certification by 2025.

2024 PERFORMANCE

Reporting on our progress and identifying areas of improvement when it comes to marketing baby formula responsibly is how we continue to evolve and strengthen our processes and practices every year.

We encourage employees, our contracted business partners and other non-contracted third parties (e.g. retailers) to alert us to any potential situations that do not comply with the BMS Policy.

We appreciate feedback and getting things brought to our attention if there is ever a situation where it looks like we did not do enough to market our baby formula responsibly and to protect breastfeeding. We carry out internal investigations and take external assessments into consideration as part of our continuous commitment to infant and maternal health.

We always investigate the topics raised by our employees, as well as those by third parties. We receive allegations in several ways – via internal monitoring, external allegations or the Danone Ethics Line – and review all facts before considering an allegation as substantiated or unsubstantiated.

If an allegation is substantiated we also publish the corrective actions we have taken.

Consequently, this report gives both an overview of non-compliance instances by Danone but also by third parties with whom we collaborate (both contracted and non-contracted), which underlines our efforts to guarantee that we bring responsible marketing practices to our wider ecosystem.

In our reporting, we categorize allegations as either substantiated or unsubstantiated when compared with the marketing standards laid out in our BMS Policy. We follow a strict process of evaluation of each allegation received from our local business units – irrespective of how or by whom the allegation is reported.

An analysis of substantiated allegations is included in the Appendix.

We classify allegations as follows:



Interaction with the general public



Interaction with health workers

Substantiated allegations are then further classified as either:



Actions conducted by Danone



Actions conducted by contracted third parties (e.g. distributors)



Actions conducted by non-contracted third parties (e.g. independent retailers or pharmacies)



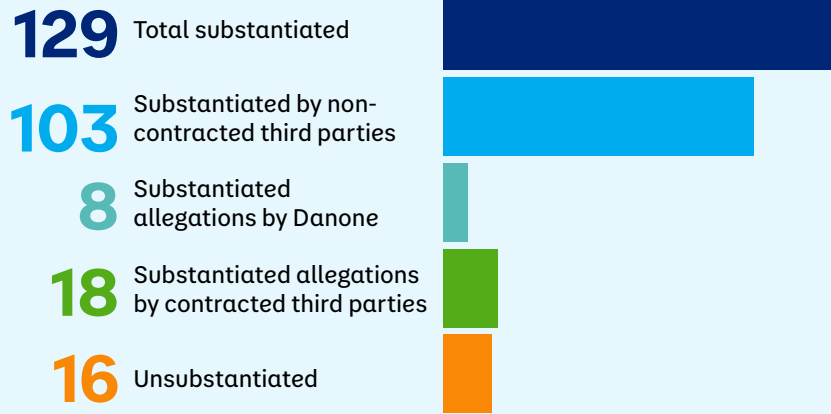
In 2024, we saw a slight increase in the number of substantiated allegations by Danone and contracted partners (26) compared to 2023 (17). We attribute this to our commitment to enhancing our monitoring and reporting processes, as well as our continuous efforts to increase awareness of responsible marketing and access to relevant training, internally and externally. More specifically, we put more rigorous mechanisms in place, including the launch of our new Allegation Management System, which has led to better detection, tracking and documentation of allegations.

In summary, for the period 1 January to 31 December 2024:

We received 129 substantiated allegations and additional 16 allegations which were found, after investigation, to be unsubstantiated. Out of the 129, more than 80% were due to activities initiated by non-contracted third parties.

As part of our global training and awareness program, we ensure we conduct systematic remediation and clear communication to relevant stakeholders, as we believe a better understanding of our standards contributes to increased accountability, which also enable our teams to come forward when it looks like we didn't get it right.

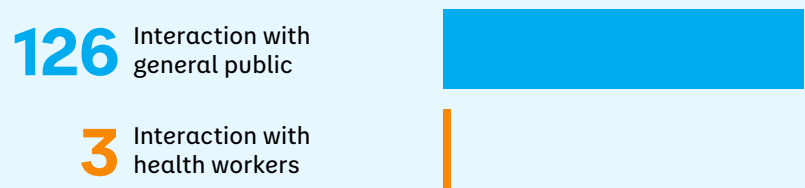
Key figures for 2024



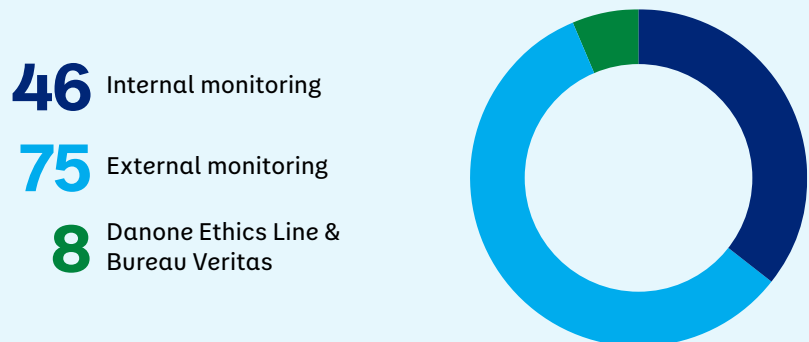
Geographical split of the 2024 substantiated allegations



What kind of substantiated allegations were received?



How did the allegations come through?



Bureau Veritas

In 2024, Bureau Veritas, an external auditor, was commissioned by Danone to undertake audits in Ecuador and Poland. These countries were selected based on the following FTSE4Good criteria: infant malnutrition and mortality rates in the country, a geographical diversity representation, and a rotation basis to ensure different countries are audited every year. To assess our level of compliance with our BMS Policy in these countries, Bureau Veritas conducted interviews and reviews of requested documentation, records, local e-commerce sites and social media webpages.

In these two countries, the audits found several areas of best practice, including:

In both countries, the personnel had an overall good awareness of the requirements of the BMS Policy in relation to their role and what constitutes Covered Product as defined in the BMS Policy and under the Local Code.

- ✓ All interviewees in Ecuador were cooperative and responsive to follow up queries with all requested documentation being provided in a timely manner.
- ✓ In Poland, the engagement and responsiveness of our employees was high. A high level of compliance was observed (no instances of non-conformance) was observed in the Healthcare facilities visited.

Danone Ethics Line

The Danone Ethics Line is a tool that enables employees (but also any external third party) to report potential non-compliance anonymously and outside their normal management reporting line.

The Ethics Line aims to empower people to call out anything of concern without fear of repercussions. This line can be easily accessed online, and people can open a confidential post box to communicate with authorized employees at Danone's head office in Paris. The platform can be used for concerns of non-compliance with our BMS Policy. Every issue raised is then investigated and appropriate action taken if non-compliance is found.

www.danoneethicsline.com



The audits also enabled us to identify areas for improvements, as explained below, which we promptly addressed with specific remediation plans:

Ecuador

Non-conformance

During the audit it was observed that multiple e-commerce platforms and retail stores were offering discounted prices for Covered Products (as defined in the BMS Policy and under the local code). However, there is no evidence that this was done at the request or with the consent of Danone.

Action

The promotion was stopped immediately after informing the retailers. Danone will regularly remind all the third parties of the BMS Policy requirements. To detect and swiftly remove any promotion by non-contracted third parties, the team is exploring the possibility of monitoring the local market place.

Poland

Non-conformance

It was identified that one retail store used a promotional banner or promotional banners for Covered Products (as defined in the BMS Policy and under the local code) alongside with Non-Covered Products. However, no evidence suggested that was created at the request or with the consent of Danone.

A few cases of on-line promotion of Covered Products were identified, but there was no that this was done at the request or with the consent of Danone.

Action

The third parties have been contacted and informed about the non-conformities, they agreed to stop the promotions immediately. On an annual basis we are sending a letter to our commercial counterparts in order to increase awareness of responsible marketing of baby formula.

Alongside the specific action plans implemented in the various audited countries, we will also continue working on third party awareness, to promote responsible marketing practices. **We will continue focusing on education and training, especially when it comes to retailer and consumer interaction**, so that together we can raise the standard, both for ourselves and the rest of the industry.



LIVING OUR COMMITMENT

Our ongoing commitment to protecting and promoting breastfeeding is at the heart of our approach to the responsible marketing of baby formula. It is how we believe we can impact the wider ecosystem at scale.

We believe that better understanding of our policy ensures better accountability based on our internal monitoring and external assessments.

External assessment and the dialogue about our policy and practices help us progress responsibly as a company, through further implementation of responsible and ethical marketing practices at Danone and with our partners.

It is what enables us to live our mission of bringing health through food.

Breastfeeding is key for giving babies the best nutritional start in life, and we will always be proud to promote and protect breastfeeding whilst providing parents with safe, quality options if families cannot or choose not to breastfeed.

Looking ahead, **we are continuing to live our commitment to responsible marketing of baby formula by introducing our new Baby Formula Marketing Standards (BFMS), which will be implemented globally by the end of 2025. These new standards emphasize our priority to deliver positive health impact and to empower parents, underpinned by responsible actions.**

This means upholding our policies, taking necessary actions, and supporting breastfeeding, while also offering our baby formula with pride.



SUBSTANTIATED ALLEGATIONS CONCERNING ACTIVITIES BY DANONE (8)

Month	Region	Summary of allegation	Summary of corrective actions	Category	Actual time of response to the complainant and to start remediation
March	Asia	Covered products were promoted on the label and at point of sale.	Label was reworked in the proper way and promotion was stopped at point of sale.	Interaction with General Public (BMS Policy Art. 3)	1 day
March	Europe	Covered Product was placed in office, visible for the general public.	Activity was stopped immediately, and relevant functions were trained on local regulation and BMS Policy.	Interaction with General Public (BMS Policy Art. 3)	1 day
April	Europe	Covered Products were promoted on the back side of the packaging	Label was reworked in the proper way.	Interaction with General Public (BMS Policy Art. 3)	< 4 weeks
May	Americas	A promotional description of a Covered Product was displayed on an online store	The promotion was removed from the website.	Interaction with General Public (BMS Policy Art. 3)	3 days
July	Africa	Gift procedure to HCP was not followed.	Ensured to follow HCS/BMS Policy regarding donations.	Interaction with Health Workers (BMS Policy Art. 4).	3 days
July	Europe	Covered products were promoted by discounts at pharmacies.	Pharmacies were informed and they stopped the discounts, and commercial Danone teams repeated training.	Interaction with General Public (BMS Policy Art. 3)	1 day
September	Americas	Covered Products were promoted through Facebook.	It was a technical error which is completely resolved.	Interaction with General Public (BMS Policy Art. 3)	< 1 week
September	Europe	Covered Products were promoted through Instagram.	Advertisement was Stopped immediately, and the marketing team was trained on local regulation and BMS Policy.	Interaction with General Public (BMS Policy Art. 3)	1 day

SUBSTANTIATED ALLEGATIONS CONCERNING ACTIVITIES BY CONTRACTED THIRD PARTIES (18)

Month	Region	Summary of allegation	Summary of corrective actions	Category	Actual time of response to the complainant and to start remediation
April	Middle East	On an online store by a e-commerce pharmacy retailer, a promotional description of Covered Product was displayed.	The third party was informed about BFMS Policy requirements.	Interaction with General Public (BMS Policy Art. 3)	< 4 weeks
May	Africa	Covered product was promoted at the pharmacy.	The third party was informed about BFMS Policy requirements.	Interaction with General Public (BMS Policy Art. 3)	1 day
May	Americas	Retailer was promoting Danone's Covered product via sponsored advertisement on Google.	The third party was informed about BFMS Policy requirements.	Interaction with General Public (BMS Policy Art. 3)	1 day
July	Americas	Retailer was promoting Covered product on its Facebook account.	The third party was informed about BFMS Policy requirements.	Interaction with General Public (BMS Policy Art. 3)	< 2 weeks
July	Europe	Retail was promoting Covered product in its store.	The third party was informed about BFMS Policy requirements.	Interaction with General Public (BMS Policy Art. 3)	1 day
August	Americas	Covered product was promoted at the pharmacy.	The third party was informed about BFMS Policy requirements.	Interaction with General Public (BMS Policy Art. 3)	3 days
September	Americas	Covered product was promoted at the pharmacy Facebook account.	The third party was informed about BFMS Policy requirements.	Interaction with General Public (BMS Policy Art. 3)	1 days
September	Americas	Third-party was promoting Danone's Covered product on its Tik Tok account.	The third party was informed about BFMS Policy requirements.	Interaction with General Public (BMS Policy Art. 3)	2 days
September	Europe	Covered product was promoted at the pharmacy.	The third party was informed about BFMS Policy requirements.	Interaction with General Public (BMS Policy Art. 3)	2 days

Month	Region	Summary of allegation	Summary of corrective actions	Category	Actual time of response to the complainant and to start remediation
October	Americas	Third-party was promoting Danone's Covered products allowing the application of discount coupons.	The third party was informed about BFMS Policy requirements.	Interaction with General Public (BMS Policy Art. 3)	2 days
October	Europe	Retailer was promoting Covered product in its store.	It was a technical error which is completely resolved.	Interaction with General Public (BMS Policy Art. 3)	1 day
November	Americas	Covered product was promoted at the pharmacies online store	The third party was informed about BFMS Policy requirements.	Interaction with General Public (BMS Policy Art. 3)	2 days
November	Europe	Retailer was promoting Covered product in its store.	The third party was informed about BFMS Policy requirements.	Interaction with General Public (BMS Policy Art. 3)	< 1 week
December	Americas	Retailer was promoting Covered product in its store	The third party was informed about BFMS Policy requirements.	Interaction with General Public (BMS Policy Art. 3)	1 day
December	Americas	Retailer was promoting Covered product in its online store.	ended 12/28/24. Ensured that this was not Danone funded as it was not against local regulations.	Interaction with General Public (BMS Policy Art. 3)	< 4 weeks

SUBSTANTIATED ALLEGATIONS CONCERNING ACTIVITIES BY NON-CONTRACTED THIRD PARTIES (103)

Number of allegations	Category	Summary of allegation	Summary of corrective actions	General time frame of response
103	Interaction with General Public (BMS Policy Art. 3).	Discount and promotion of Covered Products in traditional and online channels.	In all 103 allegations third parties were informed that such promotion is not permitted and in most cases promotions were stopped. We reiterated to the third party our commitments and the importance of compliance with our BMS Policy.	< 4 weeks



DANONE
ONE PLANET. ONE HEALTH