



# Danone Specialized Nutrition Thailand

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Disclosure Report

Date Submitted: August 19th, 2024



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## Disclosure Materials

Certified B Corporations must complete a Disclosure Questionnaire to identify potentially sensitive issues related to the company (e.g. historical fines, sanctions, material litigation, or sensitive industry practices).

This component does not affect the company's score on the B Impact Assessment. If the company answers affirmatively to any items in the Disclosure Questionnaire that B Lab deems relevant for public stakeholders, then, as a condition of their certification, the company must:

- 1) Be transparent about details of the disclosure issues identified on the company's public B Impact Report
- 2) Describe how the company has addressed this issue
- 3) Demonstrate that management practices are in place to avoid similar issues from arising in the future, when necessary.

In all cases, the Standards Advisory council reserves the right to refuse certification if the company is ultimately deemed not to uphold the spirit and integrity of the community.

In addition to the voluntary indication of sensitive issues in the Disclosure Questionnaire, companies pursuing Certification also are subject to a background check by B Lab staff. Background checks include a review of public records, news sources, and search engines for company names, brands, executives/founders, and other relevant topics.

Sensitive issues identified through background checks may or may not be within the scope of questions in the Disclosure Questionnaire, but undergo the same review process and are subject to the same possible review by the Standards Advisory Council, including ineligibility for B Corp Certification, required remediation, or disclosure.

### **B Lab's Public Complaints Process**

Any party may submit a complaint about a current B Corp through [B Lab's Public Complaint Process](#). Grounds for complaint include:

- 1) Intentional misrepresentation of practices, policies, and/or claimed outcomes during the company's [certification process](#)
- 2) Breaches of the B Corp Community's core values as expressed in our [Declaration of Interdependence](#)

**This document contains a copy of the company's completed Disclosure Questionnaire and related disclosure documentation provided by the company.**



# Disclosure Questionnaire

## Industries and Products

	Yes	No
Please indicate if the company is involved in production of or trade in any of the following. Select Yes for all options that apply.		
Animal Products or Services	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Biodiversity Impacts	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Chemicals	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Disclosure Alcohol	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Disclosure Firearms Weapons	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Disclosure Mining	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Disclosure Pornography	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Disclosure Tobacco	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<a href="#">Energy and Emissions Intensive Industries</a>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Fossil fuels Gambling	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Genetically Modified Organisms	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Illegal Products or Subject to Phase Out	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Industries at Risk of Human Rights Violations	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Monoculture Agriculture	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Nuclear Power or Hazardous Materials	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Payday, Short Term, or High Interest Lending	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<a href="#">Water Intensive Industries</a>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Tax Advisory Services	<input type="checkbox"/>	<input checked="" type="checkbox"/>

## Outcomes & Penalties

	Yes	No
Please indicate if the company has had any formal complaint to a regulatory agency or been assessed any fine or sanction in the past five years for any of the following practices or policies. Check all that apply.		
Anti-Competitive Behavior	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Breaches of Confidential Information	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Bribery, Fraud, or Corruption	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Company has filed for bankruptcy	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Consumer Protection	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Financial Reporting, Taxes, Investments, or Loans	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Hazardous Discharges Into Air/Land/Water (Past 5 Yrs)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Labor Issues	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Large Scale Land Conversion, Acquisition, or Relocation	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Litigation or Arbitration	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<a href="#">On-Site Fatality</a>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Penalties Assessed For Environmental Issues	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Political Contributions or International Affairs	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Recalls	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Significant Layoffs	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Violation of Indigenous Peoples Rights	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Other	<input type="checkbox"/>	<input checked="" type="checkbox"/>



### Practices

	Yes	No
Please indicate if the following statements are true regarding whether or not the company engages in the following practices. Check all that apply. If the statement is true, select "Yes." If false, select "No."		
Animal Testing	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Company/Suppliers Employ Under Age 15 (Or Other ILO Minimum Age)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Company prohibits freedom of association/collective bargaining	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Company workers are prisoners	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Conduct Business in Conflict Zones	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Confirmation of Right to Work	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Does not transparently report corporate financials to government	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Employs Individuals on Zero-Hour Contracts	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Facilities located in sensitive ecosystems	<input type="checkbox"/>	<input checked="" type="checkbox"/>
ID Cards Withheld or Penalties for Resignation	<input type="checkbox"/>	<input checked="" type="checkbox"/>
No formal Registration Under Domestic Regulations	<input type="checkbox"/>	<input checked="" type="checkbox"/>
No signed employment contracts for all workers	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Overtime For Hourly Workers Is Compulsory	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Payslips not provided to show wage calculation and deductions	<input type="checkbox"/>	<input checked="" type="checkbox"/>

	Yes	No
Sale of Data	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Tax Reduction Through Corporate Shells	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Workers cannot leave site during non-working hours	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Workers not Provided Clean Drinking Water or Toilets	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Workers paid below minimum wage	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Workers Under Bond	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Other	<input type="checkbox"/>	<input checked="" type="checkbox"/>

### Supply Chain Disclosures

	Yes	No
Please indicate if any of the following statements are true regarding your company's significant suppliers.		
Business in Conflict Zones	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Child or Forced Labor	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Negative Environmental Impact	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Negative Social Impact	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Other	<input type="checkbox"/>	<input checked="" type="checkbox"/>



# Disclosure Questionnaire Statement

## Disclosure Questionnaire Category: Environmentally Intensive Industries - Energy and Emissions Intensive Industries

Energy and Emissions Intensive Industries	
<b>Topic</b>	Energy and Emissions Intensive Industries
<b>Summary of Issue</b>	<p>Danone Specialized Nutrition (Thailand) Co., Ltd. is involved in the production and sale of Specialized Nutrition products or is part of an industry that can potentially be classified as energy and emission-intensive, meaning that they are more likely to have significant impacts on the environment based on their carbon emissions associated with their operations and their contribution to climate change. Danone Specialized Nutrition (Thailand) Co., Ltd. acknowledges its potential negative environmental impact and actively works to mitigate its impact.</p> <p>As per B Lab's rules, manufacturing companies in the food &amp; beverage industry are required to make transparent their involvement in such activities or industries, irrespective of their actual intensity or impact. Danone Specialized Nutrition (Thailand) Co., Ltd. is a legal entity of Danone SA. As such, it is fully in line with the group's ambition to help lead an industry-wide transition to a low-carbon economy.</p>
<b>Size/Scope of Issue (e.g. \$ financial implication, # of individuals affected)</b>	<ul style="list-style-type: none"><li>• In the previous fiscal year, 100% of the company's revenue was earned from the sale of food and beverages,</li><li>• Danone SA's (the parent company) main contributor to the carbon footprint is milk, which accounts for 36% of the overall emissions. The energy and industrial operations account only for 5% of Danone SA's total emissions.</li></ul>
<b>Impact on Stakeholders</b>	<p>As defined by B Lab, energy intensive activities like food and beverage manufacturing, pose an environmental risk due to the emissions produced by such energy use. The extent of environmental impact is dependent on the energy sources utilized and management practices in place to manage energy use.</p>
<b>Implemented Management Practices</b>	<ul style="list-style-type: none"><li>• In 2015, Danone started engaging in climate change following the <a href="#">Paris Agreement</a>. The company published its <a href="#">Climate Transition Plan</a>, setting 1.5° reduction targets for 2030 and net zero emissions by 2050, which were <a href="#">officially approved by SBTi in 2022</a>.<ul style="list-style-type: none"><li>○ Energy &amp; Emissions are also a key topic of the company sustainability strategy, <a href="#">Danone Impact</a></li></ul></li></ul>

	<ul style="list-style-type: none"> <li> <ul style="list-style-type: none"> <li>○ <a href="#">Journey</a>. Danone’s global targets on climate are:           <ul style="list-style-type: none"> <li>○ Reduce its GHG footprint by 2030, in line with what science says is required to limit warming 1.5°C,</li> <li>○ Achieve a 30% reduction in methane emissions from fresh milk by 2030,</li> <li>○ Reach a 30% improvement in energy efficiency by 2025,</li> <li>○ Achieve net Zero emissions by 2050.</li> </ul> </li> </ul> </li> <li>● As part of the strategies to reach the <a href="#">Danone Impact Journey</a> targets listed above, Danone launched a Global Energy Excellence Program, Re-Fuel Danone in 2022, as an action plan to reduce energy and industrial emissions and transform the energy footprint of its production sites worldwide. The global targets are:       <ul style="list-style-type: none"> <li>○ Improve energy efficiency by 30% by 2025,</li> <li>○ Significantly increase its use of renewable energy, such as biogas, biomass, solar and hydrogen,</li> <li>○ 100% of electricity will be from renewable sources, and half of all energy will come from renewable sources by 2030,</li> <li>○ Reduce the company’s scope 1 &amp; 2 emissions by a minimum of 42% by 2030.</li> </ul> </li> <li>● To monitor its progress, Danone uses an internal reporting tool for sustainability metrics – Greentrack - deployed in each Business Unit worldwide, including Danone Specialized Nutrition (Thailand) Co., Ltd., to track energy consumption and efficiency.</li> <li>● Danone Specialized Nutrition (Thailand) Co., Ltd., has developed a local roadmap to contribute to Danone global targets. Several energy-related initiatives have been put in place:       <ul style="list-style-type: none"> <li>○ In 2020, the Bangplee factory installed its first solar panels on the rooftop; the covered surface was extended over the years,</li> <li>○ The factory is ISO 50001 certified since 2021 and carbon neutral certified since 2023.</li> </ul> </li> </ul>
<p><b>Management Comments</b></p>	<p>More information and details can be found on the following webpages:</p> <ul style="list-style-type: none"> <li>- <a href="#">Danone’s Climate Action</a></li> <li>- <a href="#">Danone Climate Transition Plan</a></li> </ul>



# Disclosure Questionnaire Statement

## Disclosure Questionnaire Category: Environmentally Intensive Industries - Water Intensive Industries

Water Intensive Industries	
<b>Topic</b>	Water Intensive Industries
<b>Summary of Issue</b>	<p>Danone Specialized Nutrition (Thailand) Co., Ltd. is involved in the production and sale of Specialized Nutrition products or is part of an industry that can potentially be classified as water intensive, meaning that they are more likely to have significant impacts on the environment based on the water consumption associated with their operations and their potential contribution to water scarcity. Danone Specialized Nutrition (Thailand) Co., Ltd. acknowledges its potential negative environmental impact and actively works to mitigate its impact. Danone Specialized Nutrition (Thailand) Co., Ltd. is a legal entity of Danone SA.</p> <p>As per B Lab's rules, manufacturing companies in the food &amp; beverage industry are required to make transparent their involvement in such activities or industries, irrespective of their actual intensity or impact.</p>
<b>Size/Scope of Issue (e.g. \$ financial implication, # of individuals affected)</b>	In the previous fiscal year, 100% of the company's revenue was earned from the sale of food and beverages.
<b>Impact on Stakeholders</b>	As defined by B Lab, water-intensive industries like food and beverage manufacturing poses risks such as water stress or depletion of local water sources if water use is not appropriately managed.
<b>Implemented Management Practices</b>	<ul style="list-style-type: none"><li>• Under the 'One Planet. One Health' signature, Danone embraces the responsibilities and leverages the reach as a force for good – determining to preserve water resources, drive water circularity, and provide safe drinking water. The water stewardship at Danone includes three scopes – scope 1 of factory, scope 2 of operational watershed, and scope 3 of sourcing watershed. The scope 3 accounts for the major water footprint in Danone, as it includes water usage in agriculture.</li><li>• Water is also a key topic of the company's sustainability strategy, Danone Impact Journey. As part its roadmap, Danone set targets and committed to reducing its water footprint for:</li></ul>



	<ul style="list-style-type: none"><li>○ Scope 1 – by implementing a 4R approach (reduce, reuse, recycle, reclaim) in 100% of the production sites by 2030.</li><li>○ Scope 2 – by implementing in highly water-stressed areas, watershed preservation and restoration plans by 2030.</li><li>○ Scope 3 – by driving water footprint reduction across the value chain</li></ul> <ul style="list-style-type: none"><li>● Danone has several tools to measure its water footprint and guide its water preservation action, including, Water Risk Assessment, Water Footprint Assessment, WWF Water Risk Filter, and an internal tool called Spring 2030.</li><li>● Danone also uses an internal reporting tool for sustainability metrics - Greentrack- deployed in each Business Unit worldwide, including Danone Specialized Nutrition (Thailand) Co., Ltd., to track water consumption and efficiency of its water programs.</li><li>● Danone Specialized Nutrition (Thailand) Co., Ltd. has developed the following initiatives to contribute to Danone’s global targets on Water: The Bangplee factory aims to decrease its water consumption by 5% year on year. In addition, an action plan has been defined to implement the 4R approach (Reduce, Reuse, Recycle and Reclaim).</li></ul>
<b>Report</b>	More information and details can be found on the company’s web page: <a href="#">Water Stewardship</a>





# Disclosure Questionnaire Statement

## Disclosure Questionnaire Category: On-site Fatality

<b>Issue Date</b>	June, 2022
<b>Topic</b>	On site fatality due to machine-related accident
<b>Summary of Issue</b>	An on-the-job fatality occurred in the waste paper management area of the factory (not on the production line) due to an accident involving the baling press machine.
<b>Size/Scope of Issue (e.g. \$ financial implication, # of individuals affected)</b>	<ul style="list-style-type: none"><li>• The company reported a fatality involving one employee,</li><li>• Danone Specialized Nutrition (Thailand) paid a regulatory fine to the local labor office and financial compensation to the employee's family.</li></ul>
<b>Impact on Stakeholders</b>	The main impact was the employee fatality. In addition, fatalities and accidents have emotional, mental, and financial implications for family members, friends, and colleagues of the people involved in the occurrence.
<b>Resolution</b>	Following the factory's health & safety protocols, operations were immediately stopped when the accident occurred and an internal investigation was initiated to determine the root causes. As a result of the investigation, the factory discontinued the use of the baling press machine and implemented a new process for waste paper management to prevent future accidents.
<b>Implemented Management Practices</b>	<p>An internal health and safety assessment was conducted within the factory to identify the root causes of the accident and additional preventive measures were implemented. Also, a new health &amp; safety process was developed to prevent future accidents and employees received training on this updated procedure.</p> <p>As part of Danone global's health &amp; safety program called Work In Safe Environment (WISE), regular safety training and annual audits are conducted in both the factory and office in the scope of Danone Specialized Nutrition Thailand. Safety briefings take place during town hall meetings and at the start of each factory shift. In the event of an accident, following WISE's guidelines, the factory follows a dedicated process. This process includes assisting the employee, securing the area, launching an internal investigation, identifying the root cause, reporting to the highest governing body of the corporate business unit (CBU), developing and implementing new processes to prevent future accidents, and providing training to employees on the updated procedures.</p>



<b>Report</b>	To know more about WISE, please access the <a href="#">EMPLOYEES' HEALTH &amp; WELLBEING REPORT (2024)</a>
<b>Other Management Comments</b>	<ul style="list-style-type: none"><li>• In 2004, Danone launched WISE, a program to develop a health and safety culture in the company, which over the years has evolved into WISE (adding wellbeing aspects). Since its launch, the program has prevented injuries, and it is focused on the goal of achieving zero accidents in and around the workplace. The program is articulated around four steps:<ul style="list-style-type: none"><li>#1. Know the hazards to identify the risks,</li><li>#2. Assess the risks,</li><li>#3. Eliminate or control the risks,</li><li>#4. Check controls are applied.</li></ul></li><li>• WISE is deployed in each business unit worldwide, including Danone Specialized Nutrition Thailand, through regular employees' training and annual audits. At Danone Specialized Nutrition Thailand, like in all Danone Business Units, a dedicated committee is in charge of local implementation and monitoring of WISE - members of the committee are several health &amp; safety representatives, all reporting to a senior level position.</li></ul>
<b>Related Incidents (Yes/No)</b>	No