



# Danone North America

---

Disclosure Report

Date Submitted: June 18th, 2024



---

## 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.

**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 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"/>
Energy and Emissions Intensive Industries <a href="#">- Danone North America</a> <a href="#">- Alpro UK Limited</a>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
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"/>
Water Intensive Industries <a href="#">- Danone North America</a> <a href="#">- Alpro UK Limited</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) <a href="#">- Danone North America</a>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Labor Issues <a href="#">- Danone North America</a>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Large Scale Land Conversion, Acquisition, or Relocation	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Litigation or Arbitration <a href="#">- Danone North America Case A</a> <a href="#">- Danone North America Case B</a>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
On-Site Fatality	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Penalties Assessed For Environmental Issues - <a href="#">Danone North America</a>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Political Contributions or International Affairs	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Recalls <a href="#">- Danone North America</a>	<input checked="" type="checkbox"/>	<input 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"/>

	Yes	No
Payslips not provided to show wage calculation and deductions	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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 - <a href="#">Danone North America Case A</a> - <a href="#">Danone North America Case B</a> - <a href="#">Alpro UK Limited</a>	<input checked="" type="checkbox"/>	<input 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: Hazardous Discharges

<b>Issue Date</b>	2018-2022
<b>Topic</b>	Reportable spills and releases from manufacturing facilities with known or potential offsite impact
<b>Summary of Issue</b>	<p>In 2019, there was a reportable spill from a Danone North America manufacturing facility located in Dallas, TX, that had an offsite environmental impact and resulted in a fine from local environmental agencies.</p> <p>In 2022, there was a reportable spill from a Danone North America manufacturing facility located in Salt Lake City, UT, that had a potential environmental impact and resulted in a fine from local environmental agencies.</p>
<b>Size/Scope of Issue (e.g. \$ financial implication, # of individuals affected)</b>	<p>Spills/discharges occurred at two Danone North America manufacturing facilities representing ~21% of the company's facilities by area.</p> <p>Total fines and penalties represented &lt;0.0002% of the company's annual revenue.</p>
<b>Impact on Stakeholders</b>	The spill from the Dallas, TX facility had an actual environmental impact, resulting in a limited fish kill. As for the spill from the Salt Lake City, UT facility had a potential environmental impact, but no known environmental impacts. Neither spill resulted in known impacts to workers or the local community.
<b>Resolution</b>	Danone North America paid the fines and implemented remediation and preventive measures.
<b>Implemented Management Practices</b>	Danone North America promptly responded to mitigate the spills, conducted the necessary cleanup activities, and developed and implemented preventative processes and procedures.
<b>Related Incidents (Yes/No)</b>	There have been other reportable spills deemed insignificant because they were contained onsite and/or did not have any known impacts to any offsite environment, workers, or the local community.



# Disclosure Questionnaire Statement

## Disclosure Questionnaire Category: Environmental Management Penalties

<b>Issue Date</b>	2018-2022
<b>Topic</b>	Environmental management issues (besides hazardous discharges) resulting in regulatory fines or penalties
<b>Summary of Issue</b>	In 2019, Danone North America paid a fine to local environmental agencies for exceeding its indirect wastewater discharge permit limits at its Salt Lake City, UT facility. In 2022, Danone North America paid a fine to the U.S. Environmental Protection Agency for alleged violations of hazardous waste generator requirements at its Dallas, TX facility.
<b>Size/Scope of Issue (e.g. \$ financial implication, # of individuals affected)</b>	These issues and associated fines/penalties occurred at two Danone North America manufacturing facilities representing ~21% of the company's facilities by area. Total fines and penalties were immaterial representing <0.0012% of annual revenue.
<b>Impact on Stakeholders</b>	There were no known impacts to workers, the environment, or the local communities.
<b>Resolution</b>	Danone North America promptly responded to mitigate the actual or alleged violations and develop and implement preventative processes and procedures.
<b>Implemented Management Practices</b>	Danone North America promptly responded to mitigate the actual or alleged violations and develop and implement preventative processes and procedures.
<b>Related Incidents (Yes/No)</b>	There have been other actual or alleged violations, primarily related to wastewater management via indirect discharge permits, deemed insignificant because they resulted in immaterial fines and/or did not have any known impacts to the environment, workers, or the local community.



# Disclosure Questionnaire Statement

## Disclosure Questionnaire Category: Recall

<b>Issue Date</b>	Dec 5th 2018
<b>Topic</b>	Voluntary recall due to a mismatch in the pairing of yogurt cups with correct topper.
<b>Summary of Issue</b>	In 2018, Danone North America voluntarily recalled 3,521 cases of Light & Fit® Greek Crunch Nonfat Yogurt & Toppings S'Mores Flavor sold in the United States. It was discovered that some of the toppers sold on the product contained peanuts and were improperly labeled.
<b>Size/Scope of Issue (e.g. \$ financial implication, # of individuals affected)</b>	3,521 products were recalled. Danone North America distributed the product to customers in 13 states: Connecticut, Illinois, Iowa, Maryland, Massachusetts, Michigan, Missouri, New Jersey, New York, Ohio, Pennsylvania, Texas, Wisconsin.
<b>Impact on Stakeholders</b>	People who had an allergy to peanuts could face the risk of serious or life-threatening allergic reactions if they consumed the recalled product. A total of 6 product defect complaints were received concerning the recalled product.
<b>Implemented Management Practices</b>	<ul style="list-style-type: none"><li>- The recall was initiated on December 5th, 2018. Customers were notified via email and telephone to place on HOLD in their inventories and REMOVE from their store shelves products covered by this recall.</li><li>- The company notified customers to destroy the product and/or contact Danone North America.</li><li>- Danone North America initiated a review of its operating procedures related to the handling of toppers containing allergens. Several corrective actions were implemented, including changes to standard operating procedures and the installation of vision technology in our manufacturing process.</li></ul>
<b>Report</b>	<a href="https://www.prnewswire.com/news-releases/danone-north-america-issues-allergy-alert-and-recall-for-light-fit-greek-crunch-smores-flavor-300760902.html">https://www.prnewswire.com/news-releases/danone-north-america-issues-allergy-alert-and-recall-for-light-fit-greek-crunch-smores-flavor-300760902.html</a>



# Disclosure Questionnaire Statement

## Disclosure Questionnaire Category: Disclosure Outcomes & Penalties - Labor Issues

<b>Issue Date</b>	From 2018 to 2019
<b>Topic</b>	Labor complaints filed against Danone North America due to workplace injury and safety
<b>Summary of Issue</b>	<p>January 2018: An employee complaint prompted an onsite inspection by the Virginia Department of Labor and Industry. The inspection resulted in two citations regarding the Control of Hazardous Energy.</p> <p>August 2018: An investigation by the Occupational Safety and Health Administration (OSHA) was initiated after an onsite industrial accident that involved a third-party contractor employed. The employee was in the process of replacing the housing on a valve cluster and was injured, requiring hospitalization.</p> <p>June 2019: OSHA investigation initiated after an onsite industrial accident where an employee was injured (sprayed with hot water and chemical mix when changing a gasket).</p>
<b>Size/Scope of Issue (e.g. \$ financial implication, # of individuals affected)</b>	<p>January 2018: The company paid a fine of \$7,900. There were no individuals affected.</p> <p>August 2018: Danone North America received a fine of \$7,956. There was one contractor injured.</p> <p>June 2019: The company received a fine of \$13,260. There was one employee injured.</p>
<b>Impact on Stakeholders</b>	The labor issues reported by the company involved directly impacted two workers that were injured.
<b>Resolution</b>	<p>January 2018: Informal settlement conference with abated findings and modified citation; reduced civil penalty assessed.</p> <p>August 2018: Informal settlement conference with abated findings and reduced civil penalty. Abatement is the correction of the safety or health hazard/violation that led to an OSHA citation.</p> <p>June 2019: Appealed ruling, findings abated and penalties reduced by 50%</p>
<b>Implemented Management Practices</b>	<p><b>January 2018</b></p> <p>- Procedure followed at time of accident: Danone North America reviewed the Control of Hazardous Energy Standards and</p>



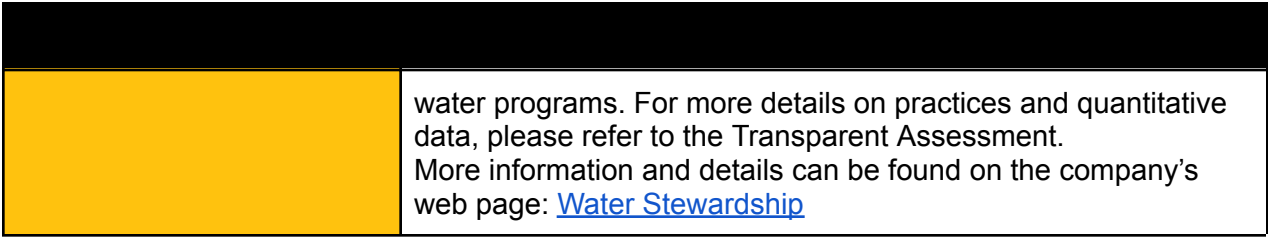
	<p>Training programs, updating them to ensure compliance,</p> <ul style="list-style-type: none"> <li>- Financial Support and Leave: Workers injured on the job are subject to the workers compensation process. Any applicable leaves would be applied,</li> <li>- Corrective and Preventive Action: The two employees involved in the Control of Hazardous Energy were provided formal classroom and practical on-the-job training.</li> </ul> <p><b>August 2018</b></p> <ul style="list-style-type: none"> <li>- Procedure followed at time of accident: The site performed an in-depth Root Cause Problem-Solving exercise to understand the cause of the accident and understand how to prevent future occurrences,</li> <li>- Financial Support and Leave: Workers injured on the job are subject to the workers compensation process. Any applicable leaves would be applied,</li> <li>- Corrective and Preventive Action: Several modifications (improvements) were made to the Contractor Safety Procedure to reduce similar risks.</li> </ul> <p><b>June 2019</b></p> <ul style="list-style-type: none"> <li>- Procedure followed at time of accident: The company investigated the causes of the incident and shared with the Danone North America Health and Safety Network,</li> <li>- Financial Support and Leave: Workers injured on the job are subject to the workers compensation process. Any applicable leaves would be applied,</li> <li>- Corrective and Preventive Action: Line Break Permit process developed and implemented, requires risk assessment and control measure implementation. Created and trained employees and verified processes via audit process.</li> </ul>
<b>Report</b>	<p>OSHA Inspection (<a href="#">January 2018</a>),  OSHA Inspection (<a href="#">August 2018</a>),  <a href="#">OSHA opens investigation into The Dannon Co. injury - Sidney Daily News</a>  OSHA Inspection (<a href="#">June 2019</a>)</p>
<b>Related Incidents (Yes/No)</b>	No.



# Disclosure Questionnaire Statement

## Disclosure Questionnaire Category: Environmentally Intensive Industries

<b>Topic</b>	Water Intensive Industries
<b>Summary of Issue</b>	As a producer of dairy and plant-based products, Danone US, LLC operates in a water intensive industry, as defined by B Lab. Aspects of the industry as defined by B Lab that make it water intensive include the heating, cooling, washing, and cleaning activities during the production process.
<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>- Danone US, LLC is an indirect subsidiary of global parent company, Danone SA. Under Danone SA's '<a href="#">One Planet. One Health</a>' signature, Danone SA embraces the responsibilities and leverages its reach as a force for good – working towards preserving water resources, driving water circularity, and providing safe drinking water. The water stewardship at Danone SA includes three scopes – scope 1 of factory, scope 2 of operational watershed, and scope 3 of sourcing watershed. Scope 3 accounts for the major water footprint in Danone, as it includes water usage in agriculture.</li><li>- Water is a key part of the company's global sustainability strategy, <a href="#">Danone Impact Journey</a>. As part its roadmap, Danone SA has set targets for reducing its water footprint:<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></li><li>- Danone SA 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 SA also uses an internal reporting tool for sustainability metrics - Greentrack- deployed in each Business Unit worldwide to track water consumption and efficiency of its</li></ul>





# Disclosure Questionnaire Statement

## Disclosure Questionnaire Category: Environmentally Intensive Industries

<b>Topic</b>	Energy and Emissions Intensive Industries
<b>Summary of Issue</b>	As a producer of dairy and plant-based products, Danone US, LLC operates in an energy and emissions intensive industry, as defined by B Lab.
<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 Danone US' 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>	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 utilised and management practices in place to manage energy use.
<b>Implemented Management Practices</b>	<ul style="list-style-type: none"><li>- Danone US, LLC is an indirect subsidiary of the global parent company Danone SA, therefore it abides by <a href="#">Danone's Climate Action</a> and <a href="#">Danone Climate Transition Plan</a>.</li><li>- Danone SA has a global ambition to help lead an industry-wide transition to a low-carbon economy, and Danone US operations play a critical role in that ambition. In 2015, Danone SA started engaging in climate change following the <a href="#">Paris Agreement</a>. The company published the Climate Policy and set 1.5° reduction targets for 2030, <a href="#">officially approved by the Science Based Target Initiative (SBTi)</a> in 2022. Danone SA has committed to reducing emissions through strategic programs and has a global ambition in line with the Science-Based Targets initiative and committing to net zero emissions by 2050 (the company is in the process of validating its long-term SBTi targets),</li><li>- Energy &amp; Emissions are also a key part of the company's global sustainability strategy, <a href="#">Danone Impact Journey</a>. Danone SA'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 30% reduction in methane emissions from fresh milk by 2030,</li><li>• 30% improvement in energy efficiency by 2025,</li><li>• Achieve net zero emissions by 2050.</li></ul></li></ul>

	<p>- As part of the strategies to reach the Danone Impact Journey targets listed above, Danone SA 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:</p> <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> <p>- To monitor its progress, Danone SA uses an internal reporting tool for sustainability metrics – Greentrack - deployed in each Business Unit worldwide to track energy consumption and efficiency.</p> <p>For more details on practices and quantitative data, please refer to the Transparent Assessment on the company's B Corp Profile.</p>



# Disclosure Questionnaire Statement

## Disclosure Questionnaire Category: Litigation

<b>Issue Date</b>	Ongoing
<b>Topic</b>	Pending lawsuit related to environmental matters - recyclability claims
<b>Summary of Issue</b>	In 2020, a lawsuit was filed against Danone US and multiple other manufacturers by environmental group <a href="#">Earth Island Institute</a> , challenging the manufacturers' labeling of products as recyclable and alleging plastic pollution in California. The original complaint did not identify specific Danone products. In October 2023, following the court's order on the manufacturer Defendants' motion to dismiss the original complaint and the dismissal of the majority of Plaintiffs' claims, Plaintiff's filed an amended complaint which identifies some Danone products. The defendants have filed a motion to dismiss the amended complaint on multiple grounds, and that motion is pending before the court.
<b>Size/Scope of Issue (e.g. \$ financial implication, # of individuals affected)</b>	While Danone vigorously denies the allegations in the complaint and any liability for Earth Island's alleged damages, the lawsuit seeks significant monetary and injunctive relief and has garnered some media coverage.
<b>Impact on Stakeholders</b>	The lawsuit alleges that consumers were misled by use of the chasing arrows recycling symbol on product packaging and contributed to marine plastic pollution. Danone vigorously denies these claims.
<b>Resolution</b>	This matter is ongoing.
<b>Report</b>	<a href="https://www.govinfo.gov/app/details/USCOURTS-cand-4_20-cv-02212">https://www.govinfo.gov/app/details/USCOURTS-cand-4_20-cv-02212</a>
<b>Other Management Comments</b>	<i>The company shared the following regarding this litigation: "Danone denies the allegations in the lawsuit. Nevertheless, Danone remains committed to improving recycling infrastructure through appropriate extended producer responsibility (EPR) programs. As part of these efforts, Danone was a founding member of the Circular Action Alliance (CAA), which is the nonprofit that will serve as the Producer Responsibility Organization (PRO) that will administer Colorado and California EPR programs. Danone is also a founding member of Sustainable Food Policy Alliance, where it has actively promoted</i>



	<i>EPR legislation in Colorado, New York, and Tennessee."</i>
<b>Related Incidents (Yes/No)</b>	N/A



# Disclosure Questionnaire Statement

## Disclosure Questionnaire Category: Labor Litigation

<b>Issue Date</b>	6/31/2021
<b>Topic</b>	Class action regarding wage and hour claims
<b>Summary of Issue</b>	On June 3, 2021 Danone North America received <a href="#">Private Attorneys General Act</a> (PAGA) notice of class action wage and hour claim from plaintiff alleging a variety of wage and hour violations (missed meal breaks, failure to pay reporting time, inaccurate wage statements, rounding errors, no seats, failure to pay for temperature screens and failure to include incentive compensation in Regular Rate).
<b>Size/Scope of Issue (e.g. \$ financial implication, # of individuals affected)</b>	Employee plaintiff filed on behalf of approximately 360 hourly employees who report to the City of Industries plant over a 4 year period.
<b>Impact on Stakeholders</b>	The primary impact related to labor litigation might be a financial impact on former employees and employees.
<b>Resolution</b>	The case was settled without any fines or sanctions.
<b>Implemented Management Practices</b>	Danone continues to monitor its pay practices to promote accurate and timely payment of wages.
<b>Related Incidents (Yes/No)</b>	No.





# Disclosure Questionnaire Statement

Disclosure Questionnaire Category: Other disclosure practices

Issue Date	November 20th, 2023
Topic	Allegations of disrespect to Animal Welfare on Horizon Organic's milk supplier
Summary of Issue	<p>Horizon Organic Dairy was a wholly owned subsidiary of Danone North America for the duration of the reporting period in the B Impact Assessment (2022 FY), and therefore was included in scope of their assessment for recertification. In April 2024, Platinum Equity announced that the acquisition of a majority interest in Horizon Organic from Danone had been completed. Danone North America will continue to own a minority interest in the legal entity.</p> <p>During the verification process, <a href="#">Media coverage</a> was discovered which shows a letter sent by <a href="#">People for the Ethical Treatment of Animals (PETA)</a> alleging animal welfare issues at a farm that supplies to Horizon Organic Dairy, from whom Danone North America buys organic milk. As the claim was made within the years under Danone North America's ownership, B Lab must assess the case linked to Horizon Organic Dairy as part of Danone North America's recertification.</p>
Size/Scope of Issue (e.g. \$ financial implication, # of individuals affected)	<p>Danone North America shared that this was an isolated matter on a single third party organic dairy farm.</p> <p>At the time of the incident, approximately 1 % of direct supplier expenses were related to the farm in question.</p>
Impact on Stakeholders	<p>If animal welfare practices are not properly documented, implemented and monitored, Dairy farms may present a risk of causing cows physical pain, psychological distress, suffering, reduction of animal's quality of life in other ways, and/or death.</p>
Resolution	<p>As soon as Danone North America became aware of the allegations, the first step was immediate suspension of milk intake from the farm and deployment of a thorough review of the farm documentation and records, and at least 3 visits to the farm that resulted into a 10-point plan. After verifying satisfactory progress to the 10-point plan and recertification from <a href="#">VALIDUS</a> and <a href="#">FARM</a> (National Dairy Farmers Assuring Responsible Management), Danone reinstated milk sourcing on a 12-month probationary basis. This probation period includes both ongoing mandatory independent and Danone farm audits. Internally</p>

	Danone deployed full communication steps with specific updates to all stakeholders and immediate engagement with our consumers via social and e-mail to answer questions.
<b>Implemented Management Practices</b>	<p>Danone North America shared that have taken the allegations seriously and moved quickly to take the appropriate actions. The company immediately suspended all sourcing of milk from this farm, pending a full investigation. Since then, four different investigations have been conducted on the farm. Three of the four investigations were led by independent third-party experts, and the fourth by Danone. The company has worked with urgency, together with a new farm management and oversight team, to agree and implement immediate and specific actions to improve the care of the animals. These remedial actions have been verified, on farm, by Danone's team. With these improvements, Danone North America reinstated milk sourcing, on a 12-month probationary basis. This probation period includes both ongoing mandatory independent and Danone farm audits.</p> <p>Horizon Organic released a public update to the <a href="#">recent animal welfare issue</a> on its webpage regarding cow care.</p> <p>Danone North America expects all of its suppliers to always uphold Danone's high standards of animal welfare and quality. Under Danone US LLC's Responsible Sourcing Policy, all the company's suppliers are required to adhere to the company's <a href="#">Sustainability Business Principles</a>, by signing a formal contract. All Danone subsidiaries partners have to sign the group's <a href="#">Code of Conduct for Business Partners</a>. To monitor compliance with these principles, the company has an internal to assess supplier performance and, when necessary, ensure corrective actions are taken.</p> <p>For organic dairy producers, the company requires either an animal welfare audit either performed by a third party or an internal auditing team in addition to participating FARM animal welfare program.</p>
<b>Report</b>	<p>Media coverage:</p> <ul style="list-style-type: none"> <li>- <a href="#">Horizon Organic Suspends Supplier Following Reports of Cows Stuck in Fecal Soup, Dying in Doves</a></li> </ul> <p>Company's public policies:</p> <ul style="list-style-type: none"> <li>- <a href="#">DANONE ETHICS LINE WHISTLEBLOWING STATEMENT</a></li> <li>- <a href="#">Integrity Policy</a></li> </ul>
<b>Other Management Comments</b>	<i>"Danone is committed to transparency and continuous improvement within our supply chain to address social risks in a</i>

	<p><i>responsible manner. In addition to rigorous internal processes, Danone has a whistleblower hotline where we accept anonymous, protected reports from any stakeholders pertaining to our own business or our suppliers. We also monitor news pertaining to our supplier sites to be aware of any reports of bad practices. We take received reports seriously, and in most instances require urgent on-site audits to identify and correct any issues that are raised to our attention."</i></p> <p><i>"We believe that fostering a culture of care is critical to maintaining good animal welfare. We are continuing to assess our animal welfare program and want to work with farms to help create this culture of care".</i></p>
<b>Related Incidents (Yes/No)</b>	No.



# Disclosure Questionnaire Statement

Disclosure Questionnaire Category: Other

<b>Issue Date</b>	August 2021
<b>Topic</b>	Non-renewal of milk purchasing agreements with organic farms in New York, Vermont, Maine, and New Hampshire
<b>Summary of Issue</b>	Danone US, LLC communicated that they would not renew contracts with 89 suppliers consisting of small organic dairy farms in the US North East, and offered the impacted farmers an option to enter into new contracts until August 2022 (as of December 2021, Danone US, LLC offered to extend the term of the new contract from August 2022 to February 2023).
<b>Size/Scope of Issue (e.g. \$ financial implication, # of individuals affected)</b>	At the time of farmer contract cancellation, Danone US, LLC sourced from about 600 US farms and 89 farmers were impacted by the decision.
<b>Impact on Stakeholders</b>	At the time of cancellation, 89 farms needed to find a new buyer for their milk before the expiry of their contract and could suffer loss of revenue if they were unable to. Furthermore these farms were operating in a local ecosystem consisting of local veterinarians, feed and farm suppliers etc, who could have also been impacted. The impact on each of the 89 farmers varied depending on the specific situation of their farm.
<b>Implemented Management Practices</b>	<p>Danone US, LLC has taken the following steps to help mitigate the impacts of the decision for farmers, animals and the communities impacted:</p> <ol style="list-style-type: none"><li>1) Danone US, LLC provided the impacted farms an option to enter into an 18-month contract with the same pricing, premiums, and other terms (substantially exceeding both contractual and statutory notice requirements for non-renewals) in order to help and provide adequate time for impacted farmers to find a new buyer or path forward that is right for the individual needs of each farm.</li><li>2) During the 6 months after noticing the affected Northeast farmers, Danone US, LLC provided a transition payment. This transition payment was additional dollars per hundredweight on top of the price Danone US, LLC paid for organic milk.</li><li>3) Danone US, LLC offered consulting services to each impacted farm in partnership with a third-party company. This was completely voluntary and came at no-cost to the farmers.</li><li>4) At the time of contract notice, Danone US, LLC expected to maintain approximately 500 USDA Organic Standard farms</li></ol>

	<p>across the US. Around the time of these notices, Danone US, LLC onboarded more than 50 small family farms that were closer to [with routes within 300 miles] the company's manufacturing footprint. This was also consistent with Danone US, LLC's expectation to sustain the 25% baseline volume of milk sourced from small farms.</p> <p>5) Danone US, LLC contributed \$500,000 to the nonprofit The Organic Center which then leveraged our money with federal funds to create grants to support organic farming and particular dairy in the Northeast.</p>
<b>Report</b>	<p>Media coverage identified:</p> <ul style="list-style-type: none"> <li>- <a href="#">Nearly 90 Northeast Organic Dairy Farms To Lose Their Market (Aug. 2021)</a>,</li> <li>- <a href="#">Demand Danone/Horizon Stand with Northeast Organic Dairy Farmers</a>,</li> <li>- <a href="#">Danone Abandons Organic Farmers</a></li> <li>- <a href="#">Upstate Dairy Farms Are Facing an Uncertain Future (Oct. 2021)</a></li> <li>- <a href="#">Upstate organic dairy farms facing crisis as key contract ending (Sep. 2021)</a></li> <li>- <a href="#">Danone North America Ignores Specific Requests to help the 89 Dropped Organic Dairy Farm Families</a></li> <li>- <a href="#">With Danone Cutting the Contracts of 89 Small Organic Dairy Farmers, B Corp has Made a Decision About the Company's Certification Status (Oct. 2021)</a>.</li> </ul>
<b>Related Incidents (Yes/No)</b>	<p>From 2018 to 2019 Danone US, LLC issued non-renewals to 25 farmers in the Pacific Northwest due to similar transportation and logistical issues cited above.</p>

# Disclosure Questionnaire Statement

## Disclosure Questionnaire Category: Environmentally Intensive Industry

<b>Topic</b>	Water Intensive Industry
<b>Summary of Issue</b>	<p>Alpro UK Limited is involved in the production and sale of plant-based products. Food &amp; beverage manufacturing is recognised as a water-intensive industry due to manufacturing and cleaning processes. Accordingly, the water intensity activities are related mostly to the company's manufacturing site at Kettering, UK.</p> <p>At Kettering's facility, the company uses municipal water supply from Anglian Water for manufacturing and utilities, with some recovery efforts deployed at the site (reclaims approximately 20% of the total amount). The region is not a water-stressed (low-medium water risk).</p>
<b>Size/Scope of Issue (e.g. \$ financial implication, # of individuals affected)</b>	<p>In the previous fiscal year, 100% of Alpro UK's revenue was derived from the manufacturing and sale of plant-based products.</p> <p>Kettering's manufacturing facility has a water intensity of 2.42 M3/ton of product produced for its standard manufacturing processes.</p>
<b>Impact on Stakeholders</b>	<p>As a water-intensive industry, the manufacturing of food &amp; beverage products poses risks such as water stress or depletion of local water sources if the water used is not appropriately managed.</p> <p>The company uses municipal water supply for its manufacturing processes.</p> <p>The main stakeholders affected are other water users in the regions of operation, such as local water authorities &amp; regulators, residents, other industrial plants, farmers, and the local biodiversity.</p>
<b>Implemented Management Practices</b>	<p>Alpro UK Limited is a legal entity of Danone SA. 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. Scope 3 accounts for the major water footprint in Danone, as it includes water usage in agriculture.</p>

	<p>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:</p> <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> <p>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. Lastly, Danone also uses an internal reporting tool for sustainability metrics - Greentrack- deployed in each Business Unit worldwide, including Alpro UK Limited, to track water consumption and efficiency of its water programs.</p>
<b>Report</b>	<p><a href="#">Danone's Water Stewardship</a>  <a href="#">Danone Impact Journey</a></p>

# Disclosure Questionnaire Statement

Disclosure Questionnaire Category: Environmentally Intensive Industry

<b>Issue Date</b>	Ongoing
<b>Topic</b>	Energy Intensive Industry
<b>Summary of Issue</b>	<p>Alpro UK Limited is involved in the production and sale of plant-based products. Food &amp; beverage manufacturing is recognised as an energy-intensive industry due to manufacturing processes and related emissions. Accordingly, the energy-intensity activities are related mostly to the company's manufacturing site at Kettering, UK.</p> <p>At Kettering facility, the company uses 100% purchased renewable energy for manufacturing and utilities, with some energy reduction efforts deployed at the site such as Combined Heat and Power (CHP) engine trigeneration technology. The latter is powered by natural gas, which ultimately generates efficient electrical power for the site.</p>
<b>Size/Scope of Issue (e.g. \$ financial implication, # of individuals affected)</b>	<p>In the previous fiscal year, 100% of Alpro UK's revenue was derived from the manufacturing and sale of plant-based products.</p> <p>Kettering's manufacturing facility has an energy intensity of 560.58 kWh per ton of product produced for its standard manufacturing processes with Natural Gas as the main CO2 contributor (under scope 1 &amp; 2) of the company's operations.</p>
<b>Impact on Stakeholders</b>	Energy-intensive activities, such as food & beverage manufacturing, pose an environmental risk due to the related emissions derived from energy use. The extent of environmental impact is dependent on the energy sources utilised and the management practices in place to manage energy use.
<b>Implemented Management Practices</b>	<p>Alpro UK Limited 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. Following the Paris Agreement, in 2015 Danone set out its ambition to be Net Zero by 2050 and published its Climate Policy. In 2022 Danone was one of the first FMCG companies to have full scope 1.5°C science-based targets for 2030, including FLAG target, approved by SBTi.</p> <p>Danone's global targets on climate are:</p> <ul style="list-style-type: none"> <li>- Reduce its GHG footprint by 2030, in line with what science</li> </ul>



	<p>says is required to limit warming by 1.5°C</p> <ul style="list-style-type: none"> <li>- Achieve a 30% reduction in methane emissions from fresh milk by 2030</li> <li>- 30% improvement in energy efficiency by 2025</li> <li>- Achieve Net Zero emissions by 2050</li> </ul> <p>Danone's main contributor to the carbon footprint is milk, which accounts for 36% of the overall emissions. Energy and industrial operations account only for 5% of the total. Nevertheless, Danone commits to reducing energy and industrial emissions as part of its climate transition plan. Accordingly, the company 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:</p> <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> <p>To monitor its progress, Danone uses an internal reporting tool for sustainability metrics – Greentrack - deployed in each Business Unit worldwide.</p> <p>At this entity level (Alpro UK Limited), the company achieved good progress in reducing Scope 1 &amp; 2 emissions by purchasing 100% renewable electricity.</p> <p>Regarding scope 3, the company has implemented several initiatives to reduce emissions from logistics including:</p> <ul style="list-style-type: none"> <li>- In 2022 the company moved the storage of its products and packaging to a warehouse closer to the company's factory.</li> <li>- Reduction of packaging emissions by reducing packaging where possible and using lower-carbon materials. For example, Alpro cartons use around 79% virgin renewable paper which is FSC® certified, supporting responsible forestry. Moreover, the company has voluntarily introduced tethered caps on its cartons in the UK to improve recyclability.</li> </ul>
<b>Report</b>	<ul style="list-style-type: none"> <li>- <a href="#">Danone's Climate Action</a></li> <li>- <a href="#">Danone Climate Transition Plan</a></li> <li>- <a href="#">Alpro Sustainability</a></li> </ul>

# Disclosure Questionnaire Statement

## Disclosure Questionnaire Category: Other Disclosure Practices

<b>Topic</b>	Negative PR/ Greenwashing accusation
<b>Summary of Issue</b>	<p>Alpro UK Limited is involved in the production and sale of plant-based products. In 2021, the UK Advertising Standards Authority (ASA) censured one Alpro bus Advertising over environmental claims. The text was " NEXT STOP. YOUR RECIPE TO A HEALTHIER PLANET! GOOD FOR YOU AND GOOD FOR THE PLANET".</p> <p>The ASA ruled that the advert was misleading and did not provide enough substantiation for the environmental claims. Lastly, the results of the Background Check brought up articles mentioning the ASA ruling.</p>
<b>Impact on Stakeholders</b>	<p>Misleading marketing and environmental claims can affect consumers' product choices.</p> <p>The main stakeholders affected are consumers and competitors.</p>
<b>Implemented Management Practices</b>	<p>Alpro has stopped the use of the claim "Good for you. Good for the planet." The company has conducted a thorough review of the Alpro website to ensure that all environmental claims are clear and substantiated. The company has also rolled out training on the Green Claims Code for its marketing teams.</p>
<b>Report</b>	<p><a href="#">- Article 1</a></p> <p><a href="#">- Article 2</a></p> <p><a href="#">- Article 3</a></p>