FOCUS ON NATURE

DANONe

ONE PLANET. ONE HEALTH

Danone UK & Ireland



Updated July 2025

HOW WE ARE DELIVERING ON NATURE

OUR AMBITION

To deliver on our mission, we depend on nature. Food has a critical role to play at the forefront of many environmental threats and solutions, from climate change to biodiversity and water protection. Our ambition at Danone is to curb greenhouse gas (GHG) emissions in line with our 1.5°C target, by leading on the development of regenerative agriculture and shifting to a circular packaging system while cutting food waste.

HOW WE'LL GET THERE

Danone has an interconnected global supply chain, so much of our work on nature is led by central sustainability teams who co-ordinate action and progress worldwide.

Our UK & Ireland business focusses on where we can have the biggest impact locally, for example, our logistics and packaging. We're working in partnership across the value chain to reduce carbon emissions and cut waste as well as virgin plastic use.

We're integrating our environmental priorities into our product development process and pioneering lower carbon options through our product portfolio, like plant-based medical nutrition. The foundation of positive impact is data: we're continuously improving how we measure and analyse our sustainability progress so we can better understand our environmental footprint and identify opportunities to make positive changes.

We also support wider industry shifts: for example, last year's launch of a Deposit Return Scheme in the Republic of Ireland, and the upcoming Scheme in England, Scotland and Northern Ireland to improve beverage container recycling rates. In this way, we can create more lasting change.

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CARBON DISCLOSURE PROJECT A-LIST CLIMATE (A), WATER (A), FORESTS (A-)

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OUR GOALS



CURB GHG EMISSIONS IN LINE WITH 1.5°C, LEADING THE WAY ON METHANE REDUCTION



PIONEER AND SCALE REGENERATIVE AGRICULTURE

Regenerative agriculture can help transform farming from a challenge to a solution by protecting and improving soil health, biodiversity, water resources and climate while promoting animal welfare and supporting farmers.

HOW THEY SUPPORT OUR AMBITION

Transforming food production is crucial to

to 1.5°C, as well as delivering resilience.

Given Danone's global agricultural

methane reduction from fresh milk.

address the climate crisis and limit warming

footprint, we have an opportunity to lead on









CUT FOOD WASTE ACROSS THE VALUE CHAIN



PRESERVE AND RESTORE WATERSHEDS WHERE WE OPERATE AND DRIVE WATER REDUCTION ACROSS THE VALUE CHAIN Avoiding food waste is a major opportunity to protect natural resources and mitigate climate change while delivering efficiency savings and supporting communities. We can minimise waste in our operations and support and educate customers and consumers to prevent waste.

Roughly 90% of our water footprint worldwide is linked to agriculture and the international supply chains we rely on are impacted by drought and water scarcity. Our work on water is led globally and not covered in this report. For more information see the <u>Danone Global Water Policy</u>.

REDUCE GHG EMISSIONS IN LINE WITH 1.5°C. LEADING THE WAY ON METHANE REDUCTION

WHY REDUCING GHG EMISSIONS IS IMPORTANT TO US

Our supply chains are feeling the impacts of climate change, as drought and extreme heat impact agricultural yields in Europe. Decarbonisation can deliver efficiencies and build resilience. It's also a commercial imperative. Our customers expect us to support their carbon reduction plans, and there's a growing consumer appetite for lower carbon products.



How this supports our B Corp

certification: Set science-based targets for GHG emissions reductions and deliver reductions against them, through action both on scopes 1 + 2 emissions and scope 3.

OUR APPROACH

We began measuring our global GHG emissions in 2008, published a climate policy committing to net zero emissions in 2015, and announced global Science Based Targets in 2017. In 2022, we were among the first companies to have a 1.5°C aligned Science Based Target approved for Forest, Land and Agriculture (FLAG). Our 1.5°C targets now represent a 34.8% reduction in global emissions by 2030 against a 2020 baseline.



THE DANONE CLIMATE **TRANSITION PLAN**

In December 2023, Danone published its global Climate Transition Plan. It sets out how we'll achieve near-term 2030 carbon reduction targets across our operations and supply chain and how we'll reach net-zero by 2050.

The Transition Plan comprises eight key programmes. Although we're making progress in areas like energy reduction and logistics optimisation, we know it will take more fundamental transformation to meet our targets. Decarbonising agriculture, the biggest source of our emissions, will be challenging. That is why a regenerative approach to agriculture and a low carbon by design mindset will be crucial.

DIRECT OPERATIONS **AGRICULTURE -**MILK

Increasing energy efficiency and switching to renewable energy.

Working with farmers to implement regenerative agriculture for animal feed and improve herd and manure management on dairy farms.

AGRICULTURE -INGREDIENTS

Engaging suppliers on renewables, regenerative agriculture and zero deforestation.



PACKAGING

Designing our packaging

carbon while supporting

to be circular and low

the development of

effective collection

systems.

LOGISTICS

efficiency in

warehouses,

decarbonising

transport through

switching modes of

transport and fuels.

route optimisation and

CO-MANUFACTURING

Sharing best practice

partners to commit to

Science Based Targets.

and supporting

co-manufacturing

Increasing energy

SUPPLIER ENGAGEMENT Engaging our entire value chain through supplier selection, strategic partnerships and ongoing support of carbon reduction efforts. LOW CARBON

BY DESIGN AND PORTFOLIO MANAGEMENT Integrating carbon as a key consideration in our product innovation and reformulation processes.

Danone UK & Ireland 2024-25

OUR GLOBAL TARGETS TO 2030 ARE DEFINED AND MONITORED ACROSS THE FOLLOWING SCOPES:

SCOPES 1 & 2 -46.3%

Direct emissions from owned or controlled sources. Indirect emissions reduction from the generation of purchased electricity, steam, heating and cooling.

SCOPES 1 & 3 FLAG -30.3%

absolute reduction

absolute

reduction

absolute

Direct & Indirect emissions, impacting Forests, Lands, and Agriculture: Milk, Dairy Ingredients, Non-Dairy Ingredients.

SCOPE 3 NON-FLAG -42.0%

Indirect emissions not owned or controlled by Danone, not impacting Forests, Lands, and Agriculture: Packaging, Logistics, Co-manufacturing, Other.

REDUCING GLOBAL METHANE EMISSIONS

Reducing the methane emissions intensity of dairy farming is one of our biggest opportunities to mitigate climate change. Globally, 8% of methane emissions come from dairy cattle, and over a 20-year period, methane has more than 80 times the warming power of carbon dioxide.¹

In 2023, Danone aligned with the Global Methane Pledge and became the first major food company to adopt a methane-specific climate commitment: 30% reduction in methane emissions from fresh milk globally by 2030 vs. 2020 baseline. Across Danone globally in 2024 we achieved a 25% reduction in methane emissions from our global fresh milk supply v. 2020. Our strategy to deliver this target is based on:

- · better herd and feed management
- manure management
- breakthrough methane inhibitors
- cross industry collaboration, and
- · support to improve science and data.
- 1 https://www.unep.org/news-and-stories/story/methane-emissions-aredriving-climate-change-heres-how-reduce-them

REDUCE GHG EMISSIONS IN LINE WITH 1.5°C, LEADING THE WAY ON METHANE REDUCTION

OUR KPIs	PERFORMANCE	
Global: -34.8% CO2e reduction by 2030 v. 2020	2023 Global performance: -7.5% VS 2020	2024 Global performance -16% VS 2020

DANONE'S GLOBAL EMISSIONS REDUCTION PROGRESS (MTCO₂E)



DIRECT OPERATIONS: SHIFTING TO RENEWABLE ENERGY IN THE UK & IRELAND

We've made progress in reducing emissions by using 100% renewable electricity across all our UK & Ireland factories. In addition, our Wexford factory has reduced emissions by 81% since 2011, primarily by installing a biomass boiler powered by locally sourced sustainable wood fuels. Meanwhile, our Macroom factory has reduced energy use by 35% in the last 10 years. They have installed an innovative energy recovery system which reduced energy use by over 3,800 tonnes of CO₂e.

In 2024 our Kettering factory reduced electricity consumption by 5.2% and gas consumption by 8.8%, contributing to a 6.3% CO₂e reduction per tonne of product from 2023-4.

+ AGRICULTURE - MILK: INNOVATING TO REDUCE METHANE

We're giving farmers technical and financial support to help them reduce methane emissions. For example, in Belgium - where we source and produce Actimel and Light & Free – our contracts offer famers a premium payment for reducing emissions.

In some cases, upfront support is needed. For example, in the Evian impluvium (an area in France) the Danone Ecosystem Fund supported 41 farmers to create a cooperative to provide manure to a municipal biodigester, generating biogas and fertiliser. This also cut their fertiliser costs by 70%.

AGRICULTURE - INGREDIENTS: CUTTING CARBON WITH BRITISH OATS

At the start of 2025 we rolled out our new improved Alpro Oat Original and No Sugars 1L drinks made from 100% British Oats, changing both how we source our oats and how we make our oat drinks:

Sourcing: 100% of our Oats for these products are now sourced from Britain, within an 80-mile radius of the mill and Alpro factory, allowing us to support British farmers whilst significantly reducing food miles.

Recipe and production process: We've created a new recipe with a more efficient production process. This builds on previous upgrades at the factory that reduced energy consumption, greenhouse gas emissions and water usage.

Through these changes, we've been able to reduce the product's environmental impact, with an average reduction of 25% in carbon footprint, 20% land use and 70% water use across the product life cycle.² This impact equates to a reduction of 6,000 tonnes CO₂e across the full year.

+ PACKAGING: REDUCING CARBON THROUGH INCREASING USE OF RECYCLED CONTENT

In early 2025 we started producing the bottles for the entire range of both our evian and Volvic waters brands from 100% recycled plastic. This will remove almost 7,000 tonnes of virgin plastic per year and save an estimated 9,500 tonnes CO₂ emissions per year.

2 Critically reviewed comparative cradle-to-grave lifecycle assessment aligned with ISO 14044 and ISO 14067 conducted by Foodsteps (2025), using primary data where available and high-quality UK/EU secondary data where needed.

LOGISTICS: IMPROVING EFFICIENCY AND REDUCING CARBON

Improving efficiency in our distribution: Our new warehouse in Ireland means we can now deliver products from factories in Europe directly to Ireland. This saves over 1000 road miles and 492 tonnes of CO₂e annually.

Shifting to lower emissions modes of transport: In 2024, almost 90% of evian and Volvic bottles were transported by train from bottling sites to our warehouses. Rail transport generates around 70% less GHG emissions than diesel fuelled trucks.³

Adopting alternative fuels: We've introduced biofuel (HVO) to fuel trucks in parts of our network, and we are transitioning to electric where we can: 26% of our Nutricia Homeward van fleet is now electric and 2025 sees the roll out of our first electric HGVs.

3 Greenhouse gas reporting: conversion factors 2023 – GOV.UK



GHG EMISSIONS IN LINE WITH 1.5°C, LEADING THE WAY ON METHANE REDUCTION

SUPPLIER ENGAGEMENT: ENGAGING DAIRY INGREDIENT SUPPLIERS TO REDUCE CARBON

We are engaging our dairy ingredient suppliers, including those in Ireland, to reduce GHG emissions. By the end of 2024, 30% of Danone's global dairy ingredient volumes were covered by GHG emissions reduction targets through contractual agreements.

We encourage suppliers to join the Sustainable Dairy Partnership which provides a unified sustainability roadmap.

We are working with our suppliers to identify opportunities to speed up decarbonization. For example, between 2015 and 2024, we collaborated with our supplier Royal FrieslandCampina, which led to a 24% reduction in on-farm emissions in their ingredients.

+ LOW CARBON BY DESIGN: INCREASING PLANT-BASED PROTEIN IN MEDICAL NUTRITION

Low carbon by design starts from the way we formulate our products. For example, we've reformulated our Nutrison Energy Multi-Fibre⁴ tube feed to increase plant-based proteins, reducing greenhouse gas emissions by 18%.

We've also launched fully plant-based medical nutrition products including Fortisip 1.5kcal⁴ plant-based which has a 35% lower carbon footprint than the equivalent dairy based oral nutritional supplement and Nutrison 2kcal multifibre plant-based which delivers high energy and high tolerance.

4 Carbon footprint for Nutrison Energy Multi-Fibre and Fortisip 1.5kcal PB certified by the Carbon Trust.

CASE STUDY

COLLABORATING WITH LOGISTICS SUPPLIERS TO REDUCE OUR CARBON EMISSIONS

Emissions associated with the transport and warehouse storage of our products, a process managed by our logistics suppliers, makes up about 10% of Danone's total footprint.

To reduce emissions in line with our targets, close collaboration with our suppliers is essential. We have a longstanding partnership with CEVA Logistics – our third-party logistics supplier for healthcare. With a shared focus on sustainability, we have taken action to use biofuels, shift to electric vans and install solar panels in the warehouse –successfully reducing CEVA and Danone's annual carbon footprint by an estimated 400 tonnes of CO_2e .



We aim for 100% of our Nutricia Homeward delivery vans to be electric vehicles by 2026, and we have a plan to achieve net zero emissions in the warehouse this year.

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What makes this partnership truly special is the shared ambition and long-term vision for a more sustainable future. At CEVA, we believe in building logistics solutions that are not only efficient but also environmentally responsible. We are excited to continue supporting Danone's goals. Together, we're showing that supply chain innovation and environmental stewardship can go hand in hand—and we're proud to be part of that story." JON BODEN CEVA LOGISTICS BUSINESS UNIT DIRECTOR

ELECTRIC VEHICLES FOR HOMEWARD VANS BY 2026

THE JOURNEY AHEAD

We're continuing to look at productivity alongside transitioning to electric vehicles. We'll keep driving innovation across our healthcare portfolio to increase plant-based protein. And we'll engage healthcare professionals to support patient choice for plant-based.

For the longer term, Danone is also investing in R&D for biotechnology solutions that can be used to produce lower-carbon ingredients. Danone, Michelin, the American start-up DMC Biotechnologies, and Crédit Agricole Centre France have partnered to create the Biotech Open Platform, a scale-up facility in France. This facility aims to accelerate the development of advanced fermentation processes, including precision fermentation, on a larger scale.

PIONEER AND SCALE REGENERATIVE AGRICULTURE

WHY REGENERATIVE AGRICULTURE IS IMPORTANT TO US

Agriculture is at the heart of many planetary challenges - from climate change and biodiversity loss to soil degradation. Globally 64% of Danone's carbon emissions are associated with agriculture, as well as 90% of our water use. A regenerative approach to farming can help nature to thrive, improve animal welfare and support farm resilience and long-term profitability. This will require a significant transformation of the food system and food companies like ours will need to support farmers in this transition.

Certified B Corporation

How this supports our B Corp certification: Manage the company's impact on nature including biodiversity and water resources and enhance degraded ecosystems.

OUR APPROACH

Our central purchasing teams source fresh milk, dairy ingredients, fruit, oats and more for our products from farming partners and co-operatives, largely in Europe. Since 2017, globally Danone has worked with our farmers to support the transition to regenerative agriculture. We began by working with WWF France, Compassion in World Farming and others to develop our Regenerative Agriculture Framework based on three pillars:

- empowering generations of farmers;
- protecting soils, water, and biodiversity; and
- bolstering animal health and welfare.

We've refined our approach as we've learned, implementing 25 agriculture projects in 20 countries and sharing learnings via our Regenerative Agriculture Knowledge Centre.



ENVIRONMENT (CLIMATE & NATURE) Restore soil & nature so it can draw carbon from the atmosphere, strengthen biodiversity and retain more water



Secure animal health and welfare. as they have a vital role to play in a healthy ecosystem We support the advancement of regenerative agriculture globally through industry collaborations. Danone has contributed to the Sustainable Agriculture Initiative's (SAI) global Regenerating Together framework, which provides a common standard for regenerative agriculture across the industry. We shared Danone's own scorecard on regenerative agriculture, and our learnings. We tested the SAI draft framework in our supply chain and provided feedback. Danone is now implementing SAI's Regenerative Together Framework to show how this can be used in different farming systems and local contexts.

TACKLING DEFORESTATION AND THE CONVERSION OF NATURAL ECOSYSTEMS

Danone published its global Renewed Forest Policy in 2022. We're committed to:

- verified deforestation and conversion free (DCF) supply chains by 2025
- a forest-positive future where we protect remaining forests and regenerate those that have been lost.

The policy focuses on high-risk raw materials - palm oil, paper and board, soy, cocoa and animal feed - and addresses all forms of deforestation and land conversion. We've engaged with our top suppliers to build a global implementation roadmap to achieve the target for 2025. In the UK, we're also a signatory of the UK Soy Manifesto, an industry commitment to ensure all shipments of soy to the UK are deforestation and conversion free.

OUR KPIS	PERFORMANCE	
Global: 30% key ingredients we source directly will come from farms that have begun to transition to regenerative agriculture by 2025	2023 Global performance: 38%	2024 Global performance 39%
T.		
Global: achieve verified deforestation- and conversion-free (vDCF) value chains for direct commodities by 2025	2023 Global performance: 84%	2024 Global performance



PIONEER AND SCALE REGENERATIVE AGRICULTURE



Regenerative agriculture is an outcome-based farming approach that protects and improves soil health, biodiversity, climate and water resources while supporting farmer livelihoods.⁵ It involves a variety of practices which can be tailored to the farm and local environment.

What are the benefits of regenerative agriculture?

For farmers: it creates a more resilient farming system, making this a more attractive profession for future generations. It's less reliant on artificial fertilisers, reducing costs.

For nature: it restores soil health and protects biodiversity. It limits agriculture's contribution to climate change. It supports sustainable use of natural resources such as water

For business: it provides security of supply, and mitigates some of the worst impacts of climate change.

For consumers: it gives consumers the opportunity to buy products that have a positive impact for nature and for farmers.

How are we supporting farmers to make the shift?

We're adopting multiple approaches to support farmers to transition to regenerative agriculture, including:

- Long term and innovative contracts based on cost of production models that provide financial stability for farmers
- Financial support including advice from experts and co-financing of some projects
- Technical support including training programmes and creating forums for farmers to share learnings
- Innovation programmes to test new innovations such as biodigesters
- Generational relay support to help prepare the next generation to take on family farms

Regenerative Agriculture Principles

Minimise soil disturbance

Keep the soil surface covered

Keep living roots in the soil

Grow a diverse range of crops

2 Integrate cows on pasture

NATURAL FERTILIZER

Natural materials, such as cow poo, crop residues and compost can be added to cropland to fertilise it.

ROTATIONAL GRAZING

Frequently moving the herd to graze different sections of land, while other sections rest to regenerate.

TECHNOLOGY

Data and technology can be used to better forecast and work with nature.

NATURAL HABITAT CONSERVATION

Natural habitats are preserved or restored, for example hedgerows, to support biodiversity at the farm and beyond.

CROP ROTATION

COVER CROPS

Keeping the soil surface covered

is crucial to protect it from

harsh weather. Cover crops

are planted to act as armour,

whilst providing the soil with

additional nutrients.

It involves rotating the crop type on a specific field. This helps add and remove different nutrients from the soil, preventing depletion of certain nutrients. NO/LOW DISTURBANCE OF SOIL Only precise machinery is used to avoid disturbing

soil structure.

5 Sustainable Agriculture Initiative definition https://saiplatform.org/wp-content/uploads/2023/09/sai-platform_-regenerating-together_september-2023-1.pdf (page 4)

PIONEER AND SCALE REGENERATIVE AGRICULTURE

REDUCING THE ENVIRONMENTAL IMPACT OF IRISH DAIRY INGREDIENTS

We source dairy ingredients for our baby formula milk products from a number of Irish dairy suppliers with whom we have long-term relationships. Irish milk from grass-fed cows generally has a lower carbon intensity per kilogram of milk.⁶ We are engaging our Irish dairy ingredient suppliers to further reduce their carbon emissions. For example, we have developed a partnership with one Irish dairy ingredients supplier to improve on farm efficiency, management of manure and fertiliser use, and grazing practices.

IMPROVING SUSTAINABLE SOURCING OF KEY COMMODITIES

In 2024, Danone partnered with 3Keel (an external commodities consultancy firm) to upskill its ingredient team buyers on net-zero, deforestation and land use change, nature and regenerative agriculture. In 2024, Danone also reinforced its traceability process for key forest risk commodities by moving from an annual to a semi-annual data collection. This has helped us monitor progress towards our forest policy targets more efficiently and helped us engage with suppliers across the year.

IMPROVING TRANSPARENCY AND TRACEABILITY OF PALM OIL

We've had a traceability system in place for palm oil since 2014, and we work on this with the support of the Earthworm Foundation. It uses self-declared data from suppliers along with a list of mills and plantations to calculate the percentage traceability to mill (TTM) and plantation (TTP) level accuracy. As of 2024, we can trace 100% of volumes to mill level and 98% to plantation level. We publish half-yearly results of this mapping exercise. This allows us to better identify where there might be challenges in our supply chain.

CASE STUDY

SUPPORTING FRENCH FARMERS TO CUT THEIR CARBON

Danone Ecosystem is working with local partners to help French dairy farmers reduce their greenhouse gases, through a project called 'Les Deux Pieds sur Terre' meaning 'Both Feet on the Ground'. The project supports farmers on how to measure their milk carbon footprint and how to reduce it.

David Escot is just one of the French farmers that's been supported through the project.

David made a number of key improvements on his farm. Previously, the herds' grazing area was entirely open, with no shade access for cows. So, David planted 50 trees and 500 hedges across the farm. This supports carbon capture, prevents soil erosion and also offers shade and windbreaks for animals.



Secondly, David wanted to improve animal welfare. He installed fans inside the cowshed to improve temperature and ventilation, and mattresses for increased comfort. As a result, David has seen increased milk yields.

David has also introduced regenerative agriculture practices to improve soil health. He makes use of the cows' manure and slurry as a rich organic fertiliser, reducing the need to buy chemical fertiliser and supporting increase in soil biodiversity. He also stopped tilling some of the land where he is growing crops, an approach to cycle more carbon back into the soil.

"

Our experience with this programme has been nothing but positive. We received financial and technical support, which has allowed us to improve the health of our soil, of our animals, and reduce our greenhouse gas emissions."

DAVID ESCOT FRENCH FARMER PARTICIPATING IN LES DEUX PIEDS SUR TERRE



THE JOURNEY AHEAD

Danone began implementing the transition from the Danone Regenerative Agriculture Scorecard to Sustainable Agriculture Initiative's (SAI) Regenerating Together Framework in a number of Country Business Units in 2024. The transition to this new globally aligned framework will continue in 2025 and onwards.

We'll continue to explore how we can bring our regenerative agriculture work to life for consumers in an engaging and relevant way.

TRANSITION TO CIRCULAR AND LOW-CARBON PACKAGING

TOTAL TONNAGE FOR 2024

packaging - excluding

transit packaging):

67,363 TONNES

Plastic

Paper

Glass

Steel

Aluminium

(primary and secondary

43.2% 36.9%

18.7%

0.8%

0.5%

WHY CIRCULAR PACKAGING IS IMPORTANT TO US

Packaging enables us to provide safe access to food and drinks, minimise food waste and preserve product quality. We use around 67,000 tonnes of packaging a year and it accounts for 14% of our UK & Ireland carbon footprint. To reduce this considerable impact, we must scale down our packaging footprint, advance circular and low carbon solutions and advocate for our packaging to be collected and recycled.

MATERIAL TYPES IN DANONE'S PACKAGING FOOTPRINT

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Packaging must move beyond singleuse and short-term thinking, it should be designed as part of a circular system that reduces waste, cuts emissions, and protects the planet's resources. At WRAP, we believe that transforming packaging is key to tackling the climate and nature crises. We welcome Danone's commitment to circularity and look forward to working together to turn ambition into systemic, lasting change."

CATHERINE DAVID CEO AT WRAP

OUR APPROACH

Our packaging KPIs establish low-carbon, circular principles which are embedded in our product development processes. Since our packaging is often designed to be used across multiple countries, we sometimes face challenges due to geographical differences in waste management infrastructure. Our innovation and renovation process allows us to ensure that the packaging used in the UK & Ireland meets local recycling criteria.

We are also working across the industry to support the move to a more circular packaging system. We're a founding signatory of the UK Plastics Pact, which brings businesses from across the plastics value chain together with UK Governments and NGOs to tackle the issue of plastic waste. In Ireland, we have signed the Repak Members' Plastic Pledge. We're actively supporting the development of effective collection systems for packaging. We're working with Re-Turn, the Irish Deposit

Return Scheme (DRS) Administrator, to ensure the smooth running of DRS in the Republic of Ireland. And we're part of the industry coalition that has set up the Deposit Management Organisation (DMO) to run DRS across England, Scotland and Northern Ireland.

We support the introduction of an efficient and effective Extended Producer Responsibility (EPR) in the UK that is well designed to drive real improvements in UK recycling infrastructure. As a member of the UK's Food and Drink Federation (FDF), Danone is collaborating with industry partners to work on the formation of a Producer Responsibility Organisation (PRO) to seek to manage the UK Extended Producer Responsibility scheme.

For several years, Danone globally has been advocating for an ambitious and binding Global Plastics Treaty, and we play an active role in the Business Coalition for a Global Plastics Treaty. Together with the other members of the Business Coalition, we're calling on the world's governments to create a robust treaty, with legally binding global rules and measures, to drive and accelerate progress on plastics circularity and curb plastic pollution on a global scale.

OUR KPIS	PERFORMANCE		
Global: 100% reusable, recyclable, compostable	2023 UK & Ireland	2024 UK & Ireland	
packaging by 2030 (UK&I target is for 2025 in line with	performance:	performance:	
UK Plastics Pact)	93%	95%	
Global: Halve the use of virgin fossil-based packaging by 2040, with a 30% reduction in virgin fossil-based packaging by 2030, accelerating reuse and recycled materials	2023 UK & Ireland performance: 22.9K tonnes (baseline)	2024 UK & Ireland performance: -7%	
UK & Ireland: All of our plastic packaging tonnage to contain	2023 UK & Ireland	2024 UK & Ireland	
an average of at least 30% recycled content by 2025 (UK&I	performance:	performance:	
specific target from UK Plastics Pact)	51%	47%	
UK & Ireland: 0% unnecessary/problematic plastic packaging	2023 UK & Ireland	2024 UK & Ireland	
by 2025 (as defined by UK Plastics Pact)	performance:	performance:	
0%	1%	0.7%	



How this supports our B Corp

certification: Minimise the environmental impact of packaging including through ensuring recyclability, increasing the use of recycled content and running programmes to manage end of life disposal.

TRANSITION TO CIRCULAR AND LOW-CARBON PACKAGING

BALANCING FACTORS TO CHOOSE THE MOST SUSTAINABLE PACKAGING

At Danone we understand there are pros and cons of different packaging materials depending on many factors. Plastic packaging is a light-weight material yet still strong and protective and less energy-intensive than some other materials. It is functional and convenient for both consumers and distributors, and considered safe from a hygiene perspective. From a carbon perspective, a bottle made of 100% recycled plastic results in around 15% lower carbon emissions across the full lifecycle of the finished product when compared to virgin plastic. Glass or metal are heavier and more energy intensive, leading to a higher carbon footprint across the supply chain. To mitigate this where we can we are including as much recycled content as possible.

We're achieving good results on including recycled content in PET plastic packaging. It's more challenging to source food grade recycled material for other plastics. For paper, the trade-off for using recycled content is stability. In a refrigerated or moist supply chain recycled content fibres can become weakened more easily, leading to food waste if the packaging fails.



TAKING A HOLISTIC APPROACH TO CIRCULARITY

In a circular economy, products and materials remain in use and stay in the economy. The circular economy eliminates waste and pollution and allows natural systems to be regenerated. To support a circular economy our approach includes considerations across:

5 RECYCLED CONTENT

Including as much recycled content in our packaging as we can

In early 2025 we started producing our full evian and Volvic ranges in 100% recycled PET bottles.

4 REUSE AND RECYCLING

- Supporting the development of effective collection systems to boost recycling
- Using refill and reuse to minimise single use packaging

We supported the launch of a Deposit Return Scheme in Ireland in 2024 which boosted collection rates to 73% after the first six months.

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In the UK we've worked with Wimbledon to pilot a refill solution for evian natural mineral water.

1 PACKAGING DESIGN

2

- Choosing the right material for the product
- Remove and reduce unnecessary and virgin plastic packaging
- Design for recyclability with end of life in mind

We've removed the sleeves from our Actimel bottles to reduce virgin plastic and improve recyclability. Our bag in box format for baby formula uses 65% less plastic than the equivalent volume in our traditional pack. Our plastic Harrogate bottles have also been lightweighted by an average of 1g this year.

2 PACKAGING PRODUCTION

Packaging supplier engagement on environmental improvements & carbon emissions reduction

In 2024, Danone globally measured a decrease of 35 ktCO₂e of its packaging emissions by engaging our suppliers on actions like moving to renewable energy.

3 CONSUMPTION

• Ensuring communications on pack help consumers understand where and how to recycle correctly

We use the OPRL 'recycle' logo wherever possible on our packaging. We have created bespoke communication materials for hospital partners to educate healthcare professionals on how to recycle our packaging.



THE JOURNEY AHEAD

We're working to increase recycled content in our product packaging, with a focus in 2025 on recycled PET plastic for yogurt cups. We'll continue to make recyclability improvements to our packaging in line with UK & Ireland recycling infrastructure. Where possible we are moving our flexible plastics towards mono-material plastic to design for recyclability.

We're also building on our work with NHS Trusts to increase recycling of our empty medical nutrition packaging. This includes understanding the most effective ways to communicate with healthcare professionals and patients, so we increase recycling in practice. This is critical for our circular economy goals as well as meeting the NHS green ambitions.

CUT FOOD WASTE ACROSS THE VALUE CHAIN

WHY REDUCING FOOD WASTE IS IMPORTANT TO US

9.5 million tonnes of food are thrown away each year in the UK.⁷ When food is wasted, the energy and water it takes to grow, harvest, transport and package it is also lost and GHG emissions are produced when it rots. Reducing food waste can deliver valuable cost savings for both businesses and individuals. Diverting food surplus can also play a role in tackling food poverty. Danone is committed to halving food waste by 2030, in line with Sustainable Development Goal 12.3.



How this supports our B Corp certification: Reduce waste both in your own operations and in your supply chain.



OUR APPROACH WORKING WITH THE FOOD WASTE HIERARCHY

We follow the food waste hierarchy – a framework that prioritises waste management strategies to minimise food waste and its environmental impact.



Reduce: This is the preferred strategy, as it involves reducing food waste at the source. Prevention comes from better planning, purchasing, and storage practices that avoid generating waste in the first place. We reduce waste from manufacturing by preventing quality issues and accurately forecasting product demand.

Feed people in need: If food waste can't be prevented, the next best option is to find new uses for the food, such as redistributing food surplus to feed humans. When we do have surplus that is safe for human consumption, we aim to sell it through clearance channels or redistribute it through our partnerships with FoodCloud, FareShare and Company Shop.

DANONE UK & IRELAND FOOD WASTE⁸

Food waste tonnage as % of total food waste sold/produced



B Due to continuous improvements in data accuracy, our 2023 food waste ratio has been adjusted from the previously reported figure of 0.46% to 0.44%. This is the result of a more accurate view of our tonnage wasted Feed livestock / Anaerobic digestion / Compost: When food cannot be reused, it should be recycled or recovered. This includes feeding food scraps to animals, composting organic waste to create nutrient-rich soil, or using anaerobic digestion to convert food waste into energy. For example, our Kettering factory sends by-products from processing soy (known as okara) to be used as animal feed or in anaerobic digestion.

Disposal: The least preferred option is disposal, which involves sending food waste to landfill. This should be the last resort after all other strategies have been exhausted. We send no food waste to landfill in the UK or Ireland.

OUR KPIS

Global: Halve all food waste not fit for human, animal consumption or biomaterial processing by 2030 (UK baseline 2019)



PERFORMANCE

2023 UK & Ireland performance⁹: **-0%**

2024 UK & Ireland performance⁹: -25%

CUT FOOD WASTE ACROSS THE VALUE CHAIN

OUR IMPACT PREVENTING WASTE ACROSS THE SUPPLY CHAIN

Food waste occurs across the entire food value chain, from farm level to processing, production, and consumer households. Our Battle against Waste programme focuses on meeting our global commitment to halve food waste not fit for human, animal consumption or biomaterial processing by 2030. It covers our end-to-end supply chain to reduce waste in line with the food waste hierarchy, preventing waste in the first place and, where surplus does arise, redistributing it for human or animal consumption. In the UK, we're signatories of WRAP's Food Waste Reduction Roadmap, and we follow its 'target, measure, act' approach.

PARTNERING WITH CHARITIES TO PREVENT FOOD WASTE

In the UK we've been recognised as one of FareShare's leading food surplus donation partners for our continued support. We have donated 3,158 tonnes of products, the equivalent of 7.5 million meals, since 2017. 2025 will mark 5 years of working with FoodCloud in Ireland to prevent food waste - in this time we've donated half a million meals. These donations serve a dual purpose: stopping food from being wasted at the same time as supporting communities.

"

We're incredibly grateful to Danone for their continued support of FareShare this past year. Their surplus dairy and plant-based products have made an enormous difference in supporting the 8,000 charities and community groups we support every year. This food doesn't just feed people, it acts as a gateway to essential support services, from after school and breakfast clubs to homelessness shelters and hospices. By supporting FareShare, Danone can help us harness the power of food to change lives."

SIMON MILLARD DIRECTOR OF FOOD AT FARESHARE

CHANGING OUR LABELS TO SUPPORT CONSUMER UNDERSTANDING

Confusion around expiry dates is responsible for 10% of all food waste in Europe.¹⁰ Food passed its 'use by' date is no longer safe to consume, but food beyond its 'best before' date may still be safely eaten. We've switched from 'use by' to 'best before' dates across all Activia. Actimel. Ovkos yogurts, Alpro products and some of our Light & Free and GetPRO ranges in the UK and Ireland. We work with Too Good To Go to help consumers understand that food past its best before date can still be good to eat. Our packaging features their logo, and we partner with retailers to raise awareness through online and in-store campaigns. In 2024 we supported Too Good To Go to launch their 'Look, Smell, Taste, Don't Waste' campaign in Ireland. We've also increased the shelf life guidance on a number of our Actimel, Activia and GetPRO products so our consumers can safely enjoy our products for longer and reduce waste.





THE JOURNEY AHEAD

We'll continue our focus on minimising food surplus by working with our factories to ensure right first time production, and ensuring food waste is considered as we develop and launch new innovations.

We are working with our food surplus redistribution partners to ensure that more surplus can get to those in need, exploring new product categories such as baby feeding products and reviewing opportunities for surplus ingredients.