

FROM VISION TO ACTION

DANONE CHINA

CLIMATE ACTION WHITE PAPER

ON SUPPORTING CHINA'S GREEN TRANSITION

November 2025



DANONE
ONE PLANET. ONE HEALTH



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Bruno CHEVOT
President of Danone China, North Asia and Oceania

The shared goal:
when "Dual Project" meets "Dual Carbon"

"There is only one Earth, we only live once," said our founding CEO Antoine Riboud in a landmark speech in 1972, which led to our "Dual Project" - a simple yet powerful belief that long-term economic performance must go hand in hand with a positive impact on society as a whole.

Guided by this principle, we have been bringing health through food to as many people as possible, recognizing that food not only meets basic needs but also has a profound impact on the lives of our employees and communities, and on the planet. This belief shapes how we operate worldwide, driving key milestones such as Société à Mission, Renew Danone, and the Danone Impact Journey.

Since our entry into China in the late 1980s, we have consistently strengthened our presence, making China our second-largest global market with an extensive operational network. At the same time, we have aligned our "Dual Project" principle with China's sustainability agenda.

In September 2020, China announced its "Dual Carbon" goals at the 75th session of the United Nations General Assembly, pledging to peak carbon dioxide emissions by 2030 and achieve carbon neutrality by 2060. Since then, China has ramped up efforts toward a comprehensive green transition, implementing the "1+N" policy framework, which serves as a top-level design and roadmap for "Dual Carbon" goals.

Then comes the spark, where the "Dual Project" meets "Dual Carbon".

Danone actively aligns its Impact Journey, originated from its "Dual Project" commitment, with China's "Dual Carbon" goals.

China's dynamic and fastest-growing food and beverage market is pivotal in advancing climate action, as the country feeds 18% of the global population while accounting for roughly one-tenth of global food emissions¹. Green transition in this sector is essential to reducing the carbon emissions in line with China's "Dual Carbon" goals.

At Danone, we believe success depends on collaboration across the entire value chain, from raw material sourcing to production, processing, logistics, and consumption. And it will also be essential to build best practices in climate governance, actions and transparency.

The climate transition journey of Danone's operations in China provides a tangible example of how decarbonization can be achieved in the food and beverage sector. We hope our efforts inspire broader adoption of sustainable practices, contributing to the vision of a "Beautiful China" that benefits all.

" Together, we look forward to creating a more sustainable future, in China, for China and with China. "

CHAPTER ONE

THE CLIMATE IS CHANGING, AND SO IS THE FOOD AND BEVERAGE INDUSTRY



Climate action is a race against time

The 29th United Nations Climate Change Conference (COP29), held in November 2024, achieved significant milestones. These included historic advancements in facilitating climate finance, tripling financial support to developing nations, enhancing transparency in climate reporting and adaptation, and reinforcing collective global efforts to advance climate action in line with the Paris Agreement².

That's part of continued efforts of the global communities to address the climate challenges, starting from the establishment of United Nations Framework Convention on Climate Change in 1992, and setting clear goals in the Paris Agreement in 2015, holding "the increase in the global average temperature to well below 2°C above pre-industrial levels" and pursuing efforts "to limit the temperature increase to 1.5°C above pre-industrial levels."

However, based on the study of World Meteorological Organization, 2024 marked the hottest year on record as the global average surface temperature was 1.55°C above the pre-industrial level³. The glaciers are missing, the sea level is rising, and the ocean heating is accelerating. The impact of these changes is felt worldwide, disrupting economies, affecting livelihoods, and imposing significant costs on individuals, communities, and nations³. This urgent reality calls for a shift in global climate discussions from promises and dialogue to tangible, on-the-ground actions.

Climate change, however, is a global challenge that does not know national borders. People are affected regardless of where they are. Achieving climate goals demands the collective effort of governments, businesses, and communities across the globe.

Food systems are at the forefront of climate change challenge

The global food system is complex and interconnected. It is woven into the political, social, economic, ecological, and cultural fabric of our communities.

First, food serves as the central link across the entire value chain, connecting agriculture production, processing, distribution, and consumption. This interdependence makes the food system a key driver of both economic growth and sustainability. According to a report by World Economic Forum, the food system represents US\$10 trillion or over 12% of global GDP today and over 40% of all jobs⁴.

Second, agriculture, which is central to the food system, heavily relies on natural resources, making it especially vulnerable to climate change. The rising temperatures and extreme weather reduce crop yields, affect livestock, soil and water resources. The Food and Agriculture Organization report entitled "The impact of disasters on agriculture and food security" says over the past 30 years, disasters have caused US\$3.8 trillion in agricultural losses, averaging US\$123 billion annually or 5% of global agricultural GDP⁵, indicating that the food system is facing an escalating threat from climate change-induced loss and damage. Without appropriate adaptation and resilience, climate change could cut global food production by 5%-30% by 2050¹.

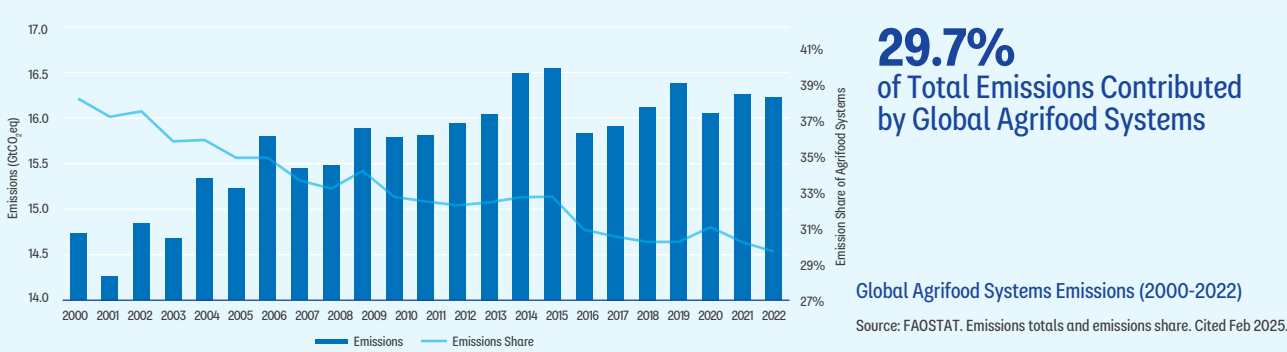
Third, the food system plays a major role in global greenhouse gas (GHG) emissions. The way we produce and consume food shapes our health and leaves a lasting mark on the environment. Each step in the journey of food from farm to table contributes the emission of greenhouse gases. According to the Food and Agriculture Organization, global agrifood systems emissions were estimated to account for 29.7% of total

emissions in 2022, down from 38% in 2000⁶. However, it is estimated that the rising demand for food and relevant materials could boost agrifood emissions by 30%-40% by 2050⁷.

Recognizing that unprecedented adverse climate impacts are increasingly threatening the resilience of agriculture and food systems, COP28 announced the Declaration on Sustainable Agriculture, Resilient Food Systems, and Climate Action, endorsed by 159 countries, accounting for over 80% of agriculture-based GDP, 70% of the world's farmers, and 80% of emissions from agriculture⁸. Besides that, over 200 entities, including frontline food systems actors, philanthropies and others issued a compelling and ambitious Non-State Actors Call to Action, with a shared vision to transform food and agriculture.

Notably, food systems have immense potential to combat climate change. Some experts estimate that adopting low-emission, carbon-sequestering practices could cut GHG emissions up to -2.0 GtCO₂e/y while meeting rising food demands without relying on carbon offsets⁹. In particular, agriculture plays a crucial role in reducing methane emissions, as it accounts for 40% of global anthropogenic methane emissions, with livestock agriculture being the single largest source of agricultural methane¹⁰.

Transforming the food system to a lower GHG footprint and an improved resilient, sustainable model is an urgent global priority. Companies like Danone are leading the way, championing transitions and building new models with key partners. The efforts aligned with the UN Sustainable Development Goals aim to drive systemic change toward a robust and enduring future for the industry and the planet.



The transition of the food and beverage industry is a key building block for China's comprehensive green transition and "Dual Carbon" goals

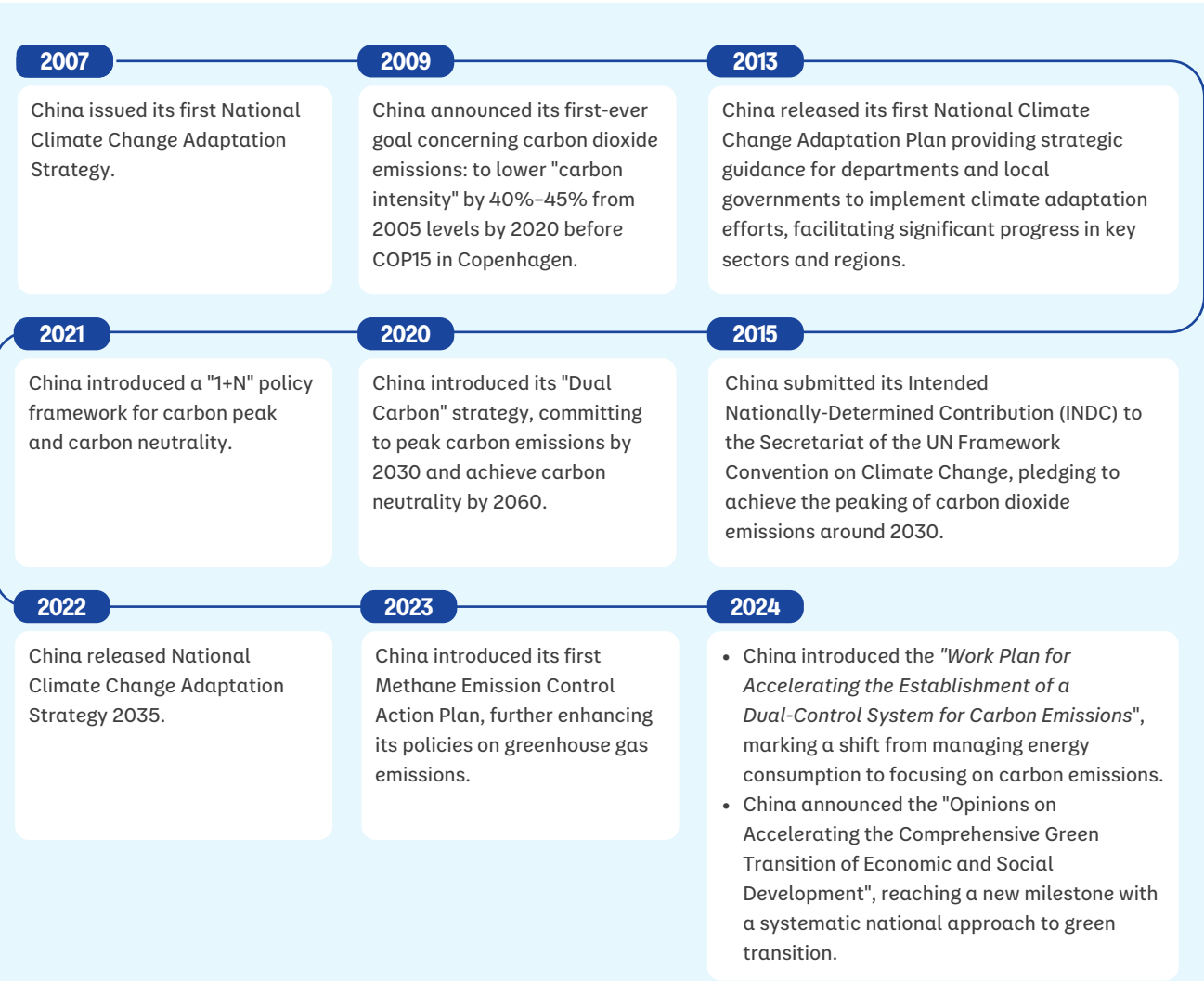
The continued efforts of China's climate action

The global shift toward addressing the climate crisis and advancing green, low-carbon development has become an unstoppable trend. As the world's largest developing country and a responsible major power, China remains committed to fulfilling its climate pledges, strengthening its nationally determined contributions, and driving the creation of a fair, equitable, and cooperative global climate governance framework.

In this endeavor, China has taken a holistic and

systematic approach, integrating macro-level strategic planning with detailed implementation strategies. It has developed a range of uniquely tailored frameworks and execution plans, ensuring policy alignment and practical results.

From setting ambitious goals to implementing targeted strategies, from adapting to climate change to highlighting "Dual Carbon" goals as a strategy, China continues to contribute its unique strengths in driving global green transition.



Green transition: a shared goal for China's food systems

China is a region sensitive to climate change and significantly impacted by it, with a warming rate exceeding the global average over the same period¹¹. According to China's Fourth National Communication on Climate Change, the observed impacts on agriculture include growing threats to crops by pests and diseases, more frequent and intense meteorological disasters, and disruptions to crop growth and yields. For example, China's winter wheat production decreased by approximately 5.5% due to rising average temperature during the growth period¹². The country's food systems are severely impacted by climate change.

China's food systems emitted over 2.3 Gt CO₂e, making it the largest emitter in the sector globally¹³. China feeds 18% of the global population while contributing over 10% of global food-related GHG emissions.

As one of the world largest and fastest-growing sectors, China's food and beverage market presents a dynamic landscape with substantial growth potential and evolving consumer preferences. Therefore, it can also play a significant role in advancing climate action. Studies suggest that China's food systems could reduce carbon emissions by 70% by 2060 through various initiatives and policies¹, driving the transition to more sustainable food systems in line with China's "Dual Carbon" goals.

However, in a 2023 Carbon Disclosure Project (CDP) report, the Chinese food and beverage, agriculture sector, together with other sectors, accounted for less than 2% of the 3,439 Chinese companies disclosing data through CDP¹⁴. This highlights that the food and beverage industry remains in the early stages of climate related disclosure.

To advance these efforts, it is essential to establish role models with pioneering initiatives and promote best practices in climate governance, actions and disclosure. Success will require collaboration across the entire value chain—implementing carbon reduction measures at every stage, from raw material sourcing to production, processing, logistics, and consumption. This integrated approach relies on systematic efforts and innovation across all aspects of the value chain.

The green and sustainable development of China's food systems is not just crucial for achieving the nation's "Dual Carbon" goals and building a "Beautiful China". It also serves as a model, offering "Chinese solutions" to global climate challenges and advancing the shared pursuit of decarbonization worldwide.

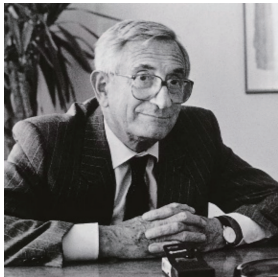
CHAPTER TWO

FOUR FOUNDING BLOCKS OF DANONE'S CLIMATE ACTION STRATEGY



Embedded in Danone way of doing business:
Evolving from "Marseille Speech" to "Impact Journey"

Sustainability has always been deeply rooted in Danone's DNA. The company started its sustainability journey since an inspiring speech made by its founding CEO Antoine Riboud.



"There is only one Earth, we only live once."
- Antoine Riboud, 1972 Marseille

1972

Marseille Speech

In 1972, Danone's founding CEO Antoine Riboud delivered a landmark speech in Marseille, publicly stated that the responsibility of a business goes beyond its factory doors, positioning Danone as a pioneer and visionary in the field of corporate responsibility. This philosophy set the base for Danone's dual economic and social project which has been at the heart of Danone's ways of working and decision-making ever since, based on a simple but powerful idea: long-term economic performance cannot exist unless there is a positive impact on society as a whole.

This belief became a guiding principle for the company as it expanded globally. Building on this heritage, Danone defined its mission: bring health through food to as many people as possible.

Renew Danone

In 2022, Danone unveiled a new strategic plan "Renew Danone", with the ambition to reconnect Danone with a sustainably profitable growth model, underpinned by greater alignment between purpose and performance.

2022



2020

Société à mission and B Corp

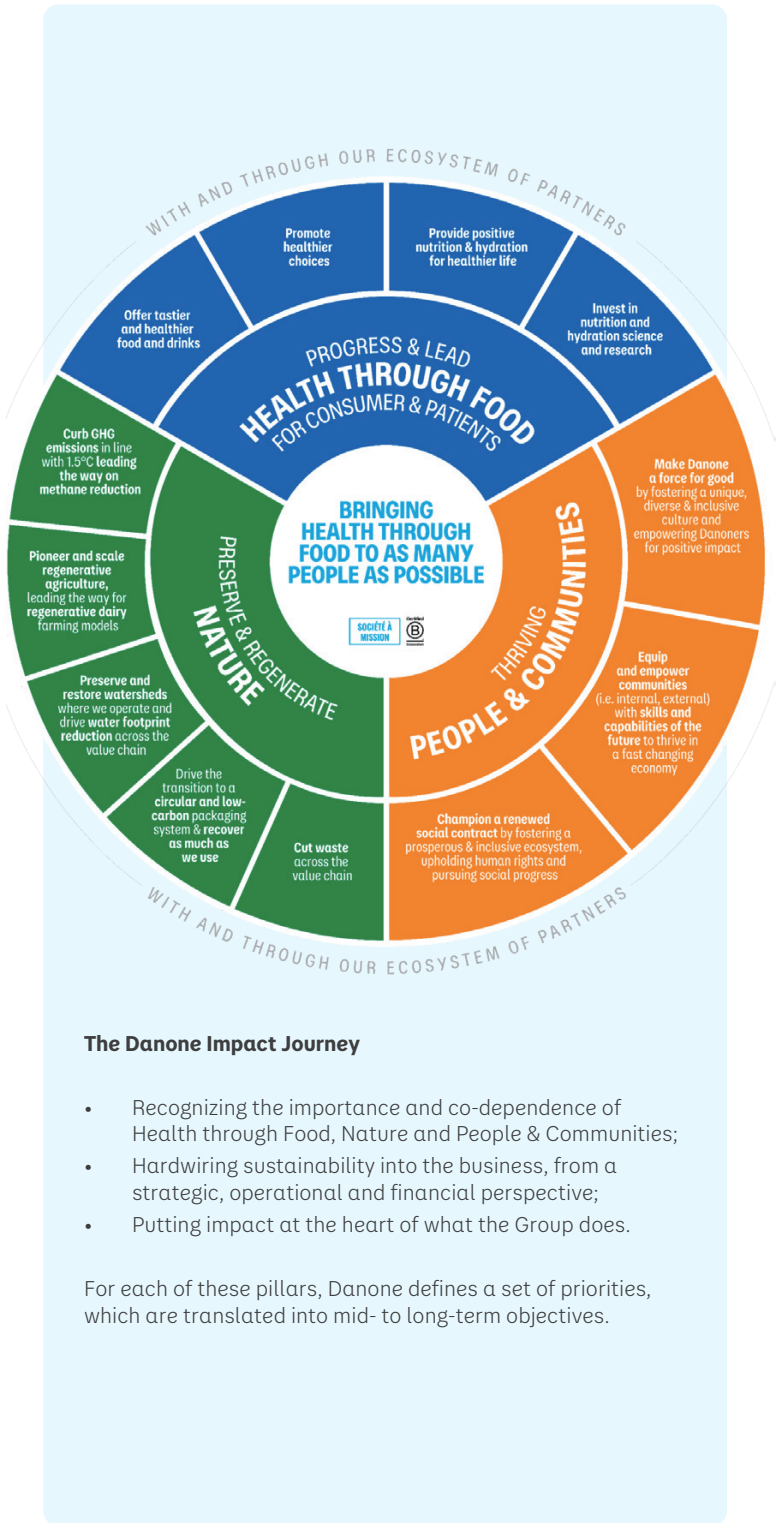
Danone started a process in 2015 to become a B Corp globally and in 2020, Danone became the first listed company to adopt the Société à mission status, created by the French "PACTE" law.



2023

Danone Impact Journey

In 2023, Danone reframed its sustainability roadmap - Danone Impact Journey - articulated around three pillars: Health through Food, Nature and People & Communities.



The Danone Impact Journey

- Recognizing the importance and co-dependence of Health through Food, Nature and People & Communities;
- Hardwiring sustainability into the business, from a strategic, operational and financial perspective;
- Putting impact at the heart of what the Group does.

For each of these pillars, Danone defines a set of priorities, which are translated into mid- to long-term objectives.

Driven by commitment: Danone journey towards Net-Zero

Climate change is a profound and systemic challenge – action is needed right here, right now. Danone is dedicated to meeting this challenge head on by committing to Net-Zero emissions by 2050, with near-term and long-term GHG reduction targets aligned with a 1.5°C pathway and validated by the Science Based Targets initiative (SBTi).

Danone recognizes food has a critical role to play at the forefront of many environmental threats and solutions, from climate change to biodiversity and water stewardship. Therefore, it has been pioneering its climate policy alignment with the Paris Agreement and beyond, laying a solid foundation for sustained leadership across multiple strategic areas.

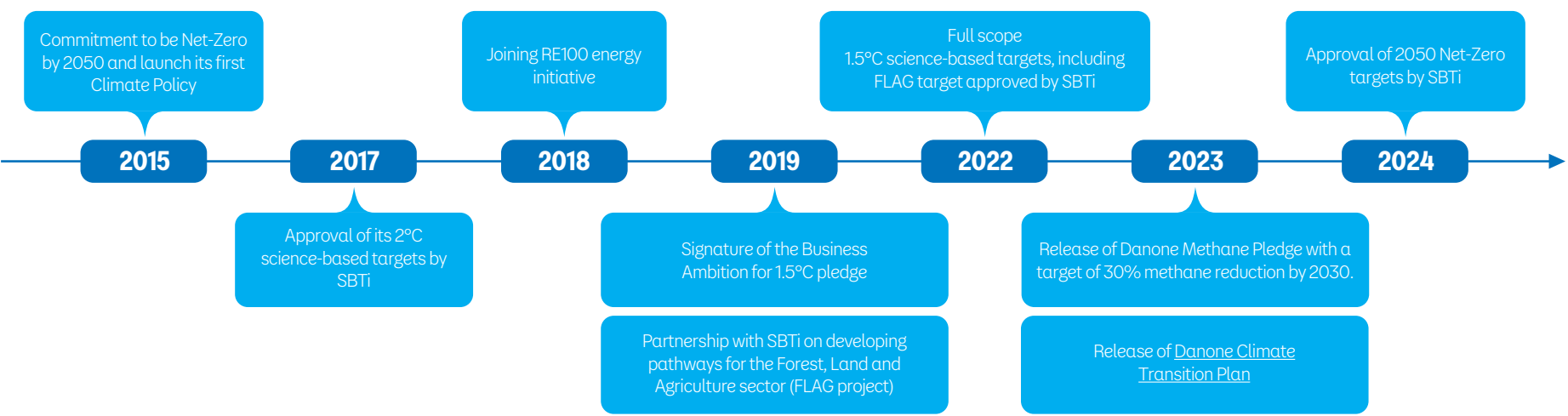
One of the **1st 100 COMPANIES** to commit to achieving Net-Zero emissions by 2050, in line with the Paris Agreement.

One of the **1st COMPANIES** partnering with SBTi on developing pathways for the Forest, Land and Agriculture sector.

One of the **1st FMCGs** to have full scope 1.5°C science-based targets, including FLAG target approved by SBTi.

1st FOOD COMPANY ¹⁵ set a methane reduction target aligned with the Global Methane Pledge launched at COP26.

Climate Milestones



Scientific approach: comprehensive GHG monitoring and SBTi-approved strategies

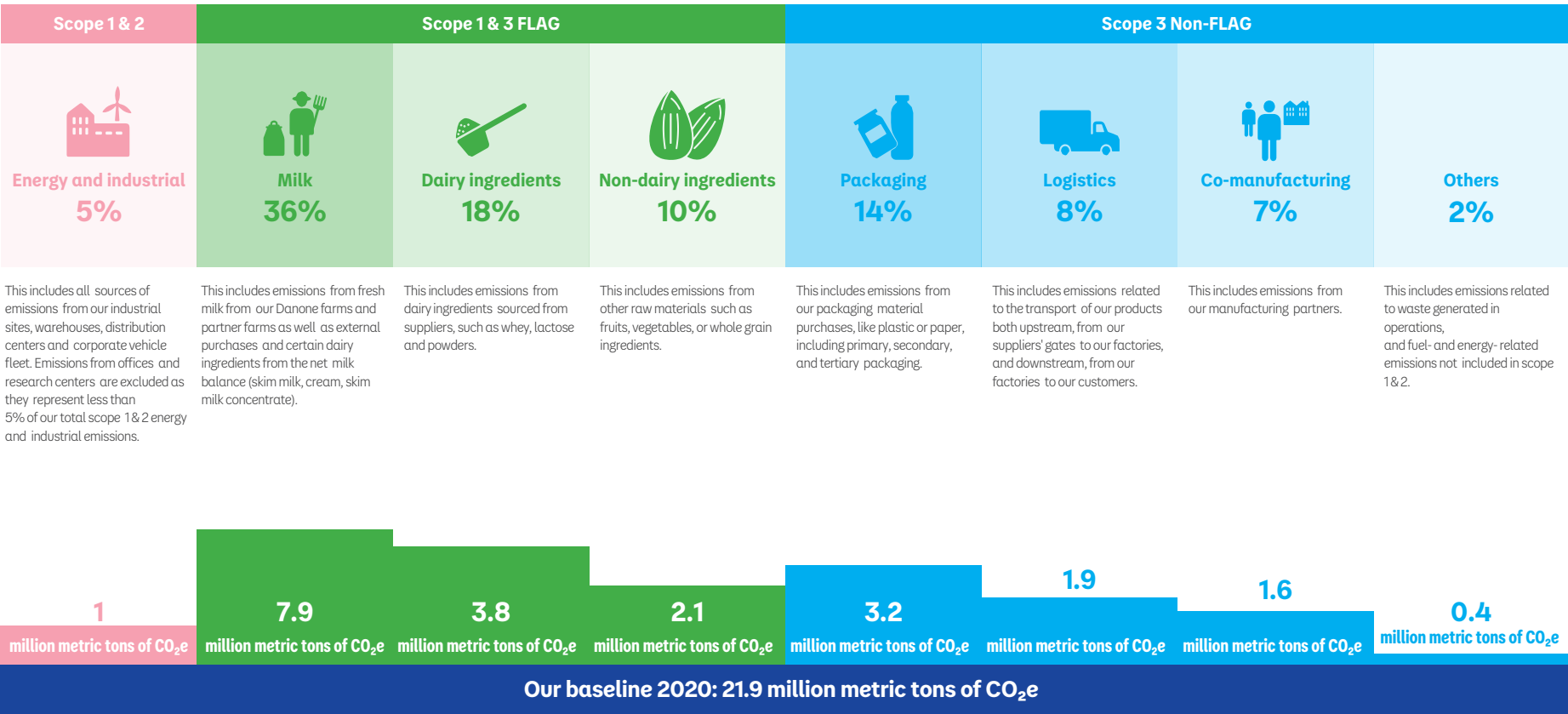
To monitor the company's impact on climate, Danone annually quantifies and reports its GHG emissions across its entire value chain. Danone's emissions are calculated in accordance with the methodology set out by the Greenhouse Gas Protocol (GHG-P) and verified by an independent third-party in accordance with ISAE 3000 standards.

Danone defines its science-based targets and monitors its progress towards them on the following scopes:

- Scope 1 & 2:** includes scope 1&2 emissions of factories, vehicles and distribution centers including methane and nitrous oxide biogenic emissions. It excludes FLAG scope 1 emissions from the two farms owned by Danone.
- Scope 1 & 3 FLAG:** includes scope 1 FLAG emissions of the two farms owned by Danone, and scope 3 emissions of purchased milk, dairy ingredients and other raw materials.
- Scope 3 Non-FLAG:** includes scope 3 emissions of purchased goods (packaging and co-manufacturing), fuel and energy-related activities not included in scope 1 & 2, upstream transportation and distribution, waste generated in operations, downstream transportation and distribution (excluding emissions linked to the storage in retailers' distribution centers and retailers' stores) and end-of-life treatment of sold products.

The use of sold products and storage at our retailers' distribution centers and stores are excluded from our SBTi targets but monitored in our GHG inventory.

Danone's baseline GHG emissions included in Danone's SBTi targets (2020)

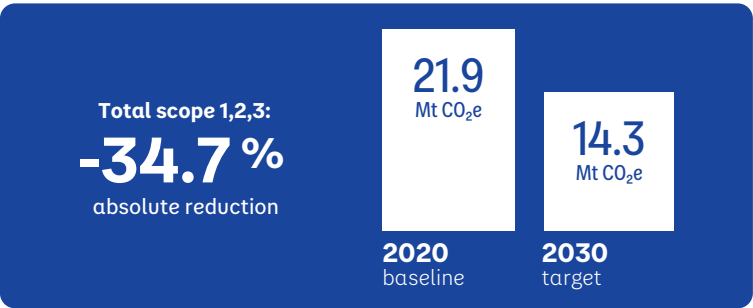


For full details, refer to the [Danone Climate Transition Plan](#) (Dec 2023).

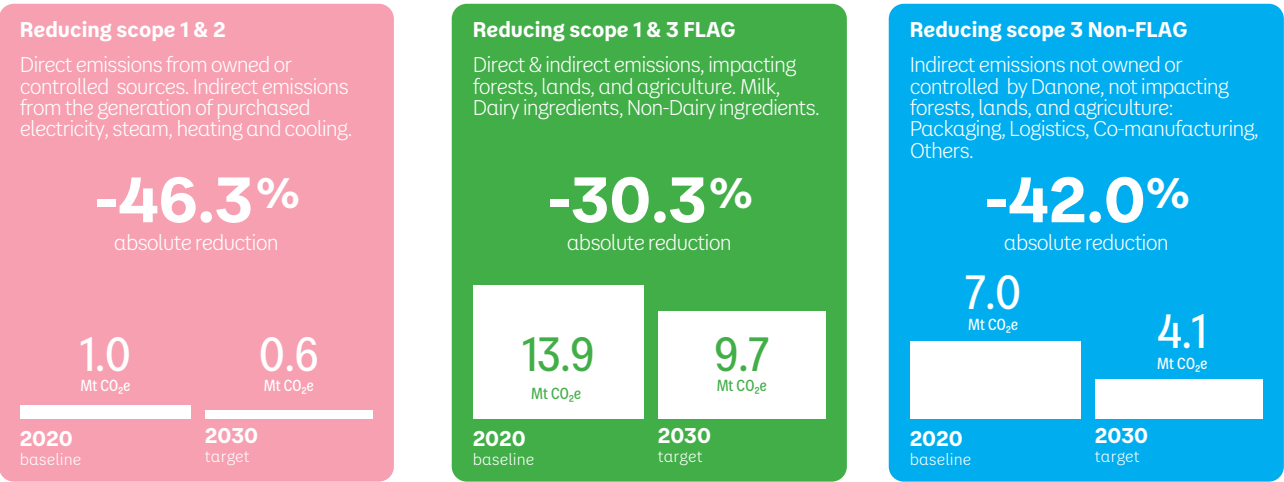
Near-term targets: 2020 to 2030

In 2022, Danone's near-term 1.5°C reduction targets were officially approved by SBTi, making Danone one of the first companies to have a specific target on FLAG.

Danone aims at reducing its absolute emissions by 34.7% by 2030, compared to 2020 baseline.



This reduction will be achieved by:

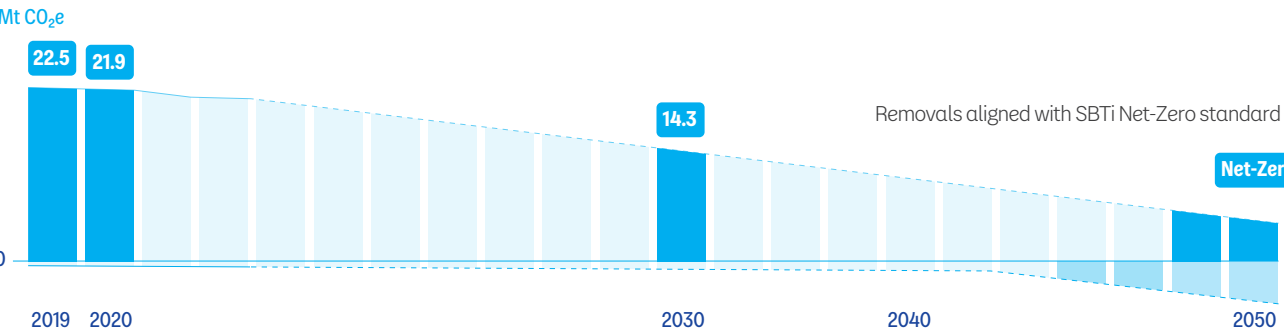


Moreover, Danone has also committed to reduce methane emissions from fresh milk by 30% by 2030 (compared to 2020 baseline).

Long-term targets: Net-Zero by 2050

In addition, Danone has committed to the following absolute long-term targets for 2050 (from a 2020 baseline):

- Energy and industry: Danone commits to reducing absolute scope 1, 2 and 3 GHG emissions from purchased goods and services, fuel and energy-related activities, upstream transportation and distribution, waste generated in operations, downstream transportation and distribution, and end-of-life treatment of sold products by 90% by 2050. The target includes land-related emissions and removals from bioenergy feedstocks.
- FLAG: Danone commits to reducing absolute scope 1 and 3 FLAG GHG emissions by 72% by 2050. The target includes FLAG emissions and removals. These targets have been validated by SBTi, in line with the 1.5°C commitment.



For full details, refer to the [Danone Climate Transition Plan](#) (Dec 2023).

Success warrant: effective climate governance and high-standard disclosure

Ensuring an effective climate governance

Danone's climate journey is supported by the Chief Executive Officer and the Chief Sustainability and Strategic Business Development Officer, both are members of Danone's Executive Committee.

The climate agenda is embedded in day-to-day governance and processes. It enables each function and level to take responsibility for climate action within its remit of competence, while key governance bodies ensure alignment with shared objectives and priorities, and incentive schemes link business and climate performance.

Progress on climate action is subject to regular review by key company governance bodies, especially at least once a year by Danone Board of Directors and the CSR Committee of the Board.

The implementation of the ambition is steered by two internal committees, composed of key function leads and Executive Committee

Incentives linked to climate performance indicators:

- Executive remuneration is tied with climate goals
- CEO's short-term incentive is tied to climate performance (context: CDP rating defined CEO bonus)
- Group Performance Share plan incorporates criteria related to GHG emission reductions

members, which report to the Executive Committee:

- The Global Impact Steering Committee, responsible for tracking and steering execution.
- The Global Engagement Committee, overseeing reporting, governance and internal and external engagement.

Setting up high-standard information disclosure

High-standard disclosure is more than a compliance requirement. It is a strategic tool that enhances transparency, builds stakeholder trust, and attracts sustainable investment.

Danone advocates for greater transparency and accountability in the private sector by promoting climate-related disclosures, building upon the guidelines of the Task Force on Climate-related

Financial Disclosures (TCFD) and the Carbon Disclosure Project (CDP). Due to its leadership in corporate transparency and performance in climate change, Danone was recognized by CDP.

As one of the first companies to apply the EU Corporate Sustainability Reporting Directive (CSRD), Danone has taken steps to prepare for new rules with reports to be published in 2025.

CHAPTER THREE

DANONE IN ACTION: STRATEGIC APPROACH TO TACKLE CLIMATE CHANGE



Eight strategic programs across the value chain

As Danone takes bold strides toward its ambitious Net-Zero emission goals, the company recognizes that success hinges not only on its commitment to advancing its sustainability journey, but also on the strategic approaches that can drive lasting change.

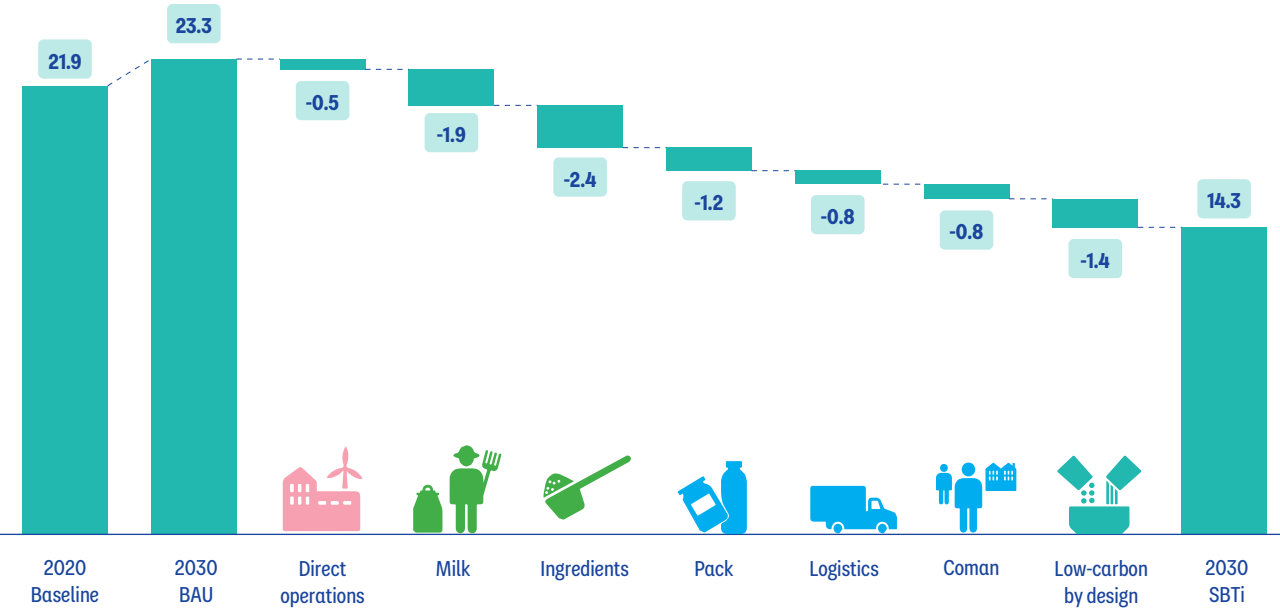
Key figures towards 2030

With part of Danone's near-term targets approved by SBTi, Danone is committed to reducing its annual net emissions from 21.9Mt CO₂e emissions in 2020 to 14.3 Mt CO₂e emissions by 2030.

Danone is committed to achieving this target even as the company grows its business. The projected business-as-usual (BAU) emissions for 2030, though theoretical, reflect the evolving emissions trajectory in recent years, indicating the effective integration of decarbonization initiatives within its operational model.

To advance its sustainability journey, Danone defined 8 strategic programs which outline its plan to reduce emissions by 2030 in line with science-based near-term targets and provide forward-looking perspectives for its journey towards Net-Zero.

Our journey towards 2030
(Mt CO₂e)



For full details, refer to the [Danone Climate Transition Plan](#) (Dec 2023).

The eight strategic programs at a glance

Agriculture Milk Sourcing milk in a sustainable way Regenerative agriculture plans for animal feed, along with efforts to improve herd and manure management on dairy farms, will significantly reduce the GHG emissions associated with Danone's dairy products. It will also improve soil carbon sequestration, while supporting farm resilience, animal welfare and farmer livelihoods.	Packaging Transforming packaging Danone is committed to designing its packaging to be circular and low-carbon (reusable, recyclable, compostable, using recycled content), reducing virgin fossil plastic, and leading the development of collection systems that can help ensure packaging is reused or recycled in practice and at scale.	Supplier engagement Engaging with value chain Through supplier selection, partnerships on key projects and ongoing support, Danone is leveraging its leadership and resources to engage the entire value chain on the journey to decarbonization.
Direct operations Increasing energy efficiency and switching to renewable energy Danone Re-Fuel program aims to achieve ambitious thermal energy production from renewable sources and a complete transition to green electricity, as well as significant energy efficiency improvements.	Logistics Improving logistics By prioritizing energy efficiency, optimizing logistics network operations, exploring multimodal or combined transport and adopting biofuels and electric vehicles, Danone is working to establish a sustainable logistics system.	Low carbon by design and portfolio management Developing sustainable product offers for consumers Danone is integrating carbon in its innovation and reformulation processes, developing more low carbon dairy, plant-based and hybrid product offers and supporting breakthrough innovations to encourage the adoption of sustainable diets, in line with its mission of bringing health through food to as many people as possible.
Ingredients Sourcing our ingredients sustainably Roadmap to engage suppliers is focused on renewables, regenerative agriculture and zero deforestation, allowing Danone to reduce the environmental impact of its ingredients.	Co-manufacturing Helping co-manufacturers towards decarbonization Danone is sharing best practices and supporting co-manufacturing partners to commit to science-based targets.	

For full details, refer to the [Danone Climate Transition Plan](#) (Dec 2023).

Reduce scope 1 & 2 energy and industrial emissions

It includes scope 1&2 emissions of factories, vehicles and distribution centers including methane and nitrous oxide biogenic emissions. It excludes FLAG scope 1 emissions from the two farms owned by Danone.

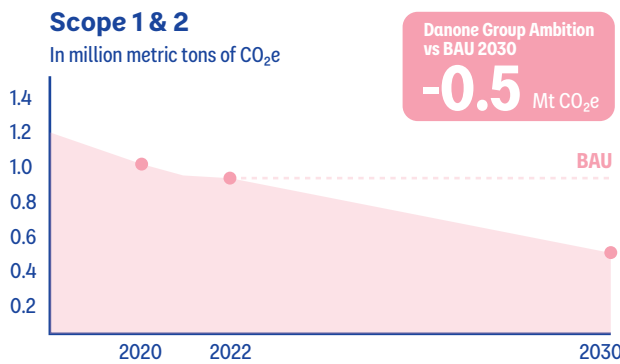
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Direct operations



1 Increasing energy efficiency and switching to renewable energy

Energy in Danone's direct operations accounts for around 4.4% (2024) of Danone's carbon footprint. Danone has made significant strides in its energy-related efforts through increased renewable electricity sourcing, biomass, electrification, biogas and biomethane solutions, and installing more onsite solar photovoltaic systems, increasing sourcing through renewable electricity power purchase agreements (PPAs), and purchasing renewable energy certificates.



Key achievements

Danone Group

- 360 ktCO₂e GHG reduction between 2020 and 2024, a 34.5% decrease.
- 41.1% of Danone's total energy use came from renewable sources.
- 85.7% of Danone's electricity was generated from renewable sources in 2024.
- 11.7% of Danone's thermal energy was sourced from renewables in 2024.

Danone China

Energy Excellence

- 100% renewable electricity in China.
- 100% green thermal energy utilized by Wuhan, Changsha and Fengfun factories.
- 20% steam efficiency increased through thermal energy recovery projects in Wuxi factory between 2020 and 2024.
- Solar power generation facilities installed at Zhongshan, Xi'an, Wuhan and Fengfun factories.
- 96% reduction in carbon intensity* from factory production compared to 2004 levels.

SPOTLIGHT

First carbon neutral factory in China's beverage industry

Danone China's Wuhan and Qionglai factories became the first two carbon neutral factories in China's beverage industry in 2022 by receiving PAS2060 carbon neutral certification from Société Générale de Surveillance (SGS), the world's leading testing, inspection and certification company.

At present, all of Danone Beverages production factories in China and Danone Early Life Nutrition production factories in Qingdao and Changsha were certified as carbon neutral.



Key actions onwards

Danone launched the RE-Fuel program in 2022, an ambitious energy excellence initiative to increase energy efficiency as well as the use of renewable thermal energy and renewable electricity in its factories.

- Renewable thermal energy: 35% usage by 2030 mainly through biomass, electrification, biogas and biomethane solutions.
- Renewable electricity: 100% renewable electricity by 2030.

* Production carbon emission intensity: carbon emissions from total production energy consumption divided by the total production volume, covering scope 1&2, not including scope 3

Reduce scope 1 & 3 FLAG emissions

It includes scope 1 FLAG (forest, land, agriculture) emissions of the two farms owned by Danone, and scope 3 emissions of purchased milk, dairy ingredients and other raw materials.

Agriculture accounts for 63% of Danone's carbon footprint, the largest contributor to Danone's GHG emissions.

Danone's efforts in reducing agriculture emissions are reflected in three main pillars:
Deploying Danone's regenerative agriculture program alongside farm efficiency and upstream innovations with a focus on methane for dairy farms.
Tackling deforestation and conversion of natural ecosystem.
Engaging Danone's ingredient suppliers on the overall footprint of materials Danone sources.

2 Milk



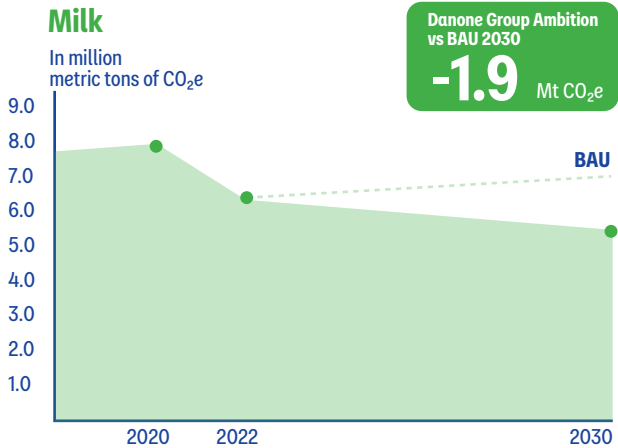
3 Ingredients





2 Sourcing milk in a sustainable way

Milk-related emissions account for just over half, 51.4%, (2024) of Danone's agricultural carbon footprint. Decarbonizing Danone's milk supply is a priority, but Danone also takes into account farm's efficiency, resilience and farmer livelihoods. Danone tailors regenerative agriculture plans per farm, and put regular monitoring in place to increase supply chain transparency and continuous improvement.



Key achievements

Danone Group

- 1,979 ktCO₂e GHG reduction between 2020 and 2024.
- Danone has been conducting country-by-country assessments using the Cool Fram Tool in over 18 countries. The tool is a calculator helping farmers and businesses measure and reduce their agricultural environmental impact.
- Danone introduced CAP2ER tool in France, which together cover 92% of direct milk collection volumes from farms. It is a tool helping farmers measure and improve the sustainability of their agricultural practices.

Key actions onwards

- Danone is committed to transitioning to regenerative agriculture aiming for:
- 30% reduction in methane emissions from fresh milk by 2030 against 2020 baseline.
 - 30% key ingredients sourced directly (including milk) from farms engaged in the transition to regenerative agriculture by 2025.
 - 50% key raw material ingredients sourced from highly-water stressed areas produced under water-improved management practices.
 - 100% ingredients produced in France from regenerative agriculture by 2025.

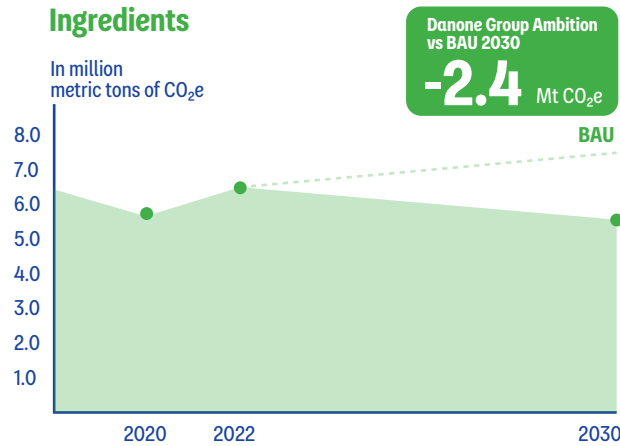
Leading the way on methane reduction

Danone become the first food company to adopt a methane-specific climate commitment in 2023, by announcing a target of 30% reduction in methane emissions from fresh milk by 2030, removing 1.2 million tons carbon equivalent of methane emissions.



3 Sourcing ingredients sustainably

Dairy and non-dairy ingredients account for 48.6% (2024) of Danone's agriculture footprint. Danone sources dairy ingredients, plants and fruits from trusted suppliers, working hand-in-hand with them to decarbonize, promote regenerative agriculture practices, implement positive water management practices, and remove deforestation and conversion from Danone's supply chains.



Key achievements

Danone Group

- 310 ktCO₂e GHG reduction between 2020 and 2024.
- 24% reduction in on-farm emissions in ingredients resulted in partnership with Royal Friesland Campina between 2015 and 2024.
- 97% palm oil sourced by Danone is certified as segregated by Roundtable on Sustainable Palm Oil Segregated.
- 39% of key ingredients (milk, soy, almonds, oats, cereals and selected fruits and vegetables) sourced directly from producers who have begun their transition to regenerative agriculture in 2024.

Danone China

- Danone China launched a zero-deforestation supply chain program, collaborating with suppliers to enhance supply chain transparency and sustainability through credible certification of Forest Stewardship Council (FSC).
- By the end of 2025, the program aims to achieve traceability for more than 90% of carton paper used in China.



Key actions onwards

- Incorporate decarbonization targets into dairy supplier contracts, seeking to embed decarbonization goals of at least 30% between 2020 and 2030 into all Danone's supplier contracts.
- Danone is committed to zero deforestation & conversion on key commodities.
- Clean Supply Chain: By 2025 Danone will have worked with its direct suppliers towards full traceability. Its direct supply chains are verified deforestation and conversion free while upholding human rights.
- Responsible Suppliers: By 2025 Danone will have cascaded Deforestation and Conversion Free commitments in line with its cut-off dates through its direct supply chain.
- Regeneration: By 2030 Danone will have supported landscape projects that protect and restore vital ecosystems, with a focus where relevant on strengthening farmer livelihoods.

Reduce Scope 3 Non-FLAG emissions

It includes scope 3 emissions of purchased goods (packaging and co-manufacturing), fuel and energy-related activities not included in scope 1 & 2, upstream transportation and distribution, waste generated in operations, downstream transportation and distribution (excluding emissions linked to the storage in retailers' distribution centers and retailers' stores) and end-of-life treatment of sold products.

4 Packaging

5 Logistics

6 Co-man

Reduce emissions by transversal programs

Danone is also working on cross-cutting action plans involving supplier engagement as well as low-carbon by design and portfolio management.

7 Supplier engagement

8 Low-carbon by design and portfolio management

4 Transforming packaging

Packaging represents 12.8% (2024) of Danone's carbon footprint. Packaging is fundamental to providing people around the world with convenient, safe food and drinks, minimizing food waste and preserving quality. The current packaging model - based on a linear system - must be transformed as it creates major environmental challenges.

Danone has long been committed to driving the transition to a circular and low-carbon packaging system to mitigate risks related to climate change. This ambition involves redesigning packaging to be fully recyclable, reusable, or compostable, and fostering that all packaging is collected and recycled.

Danone aims to make packaging related efforts:

- 100% reusable, recyclable or compostable packaging by 2030.
- Halve the use of virgin fossil-based packaging by 2040, with a 30% reduction by 2030 from a 2020 baseline.
- Lead the development of effective collection systems to recover as much plastic as Danone uses on the market by 2040.

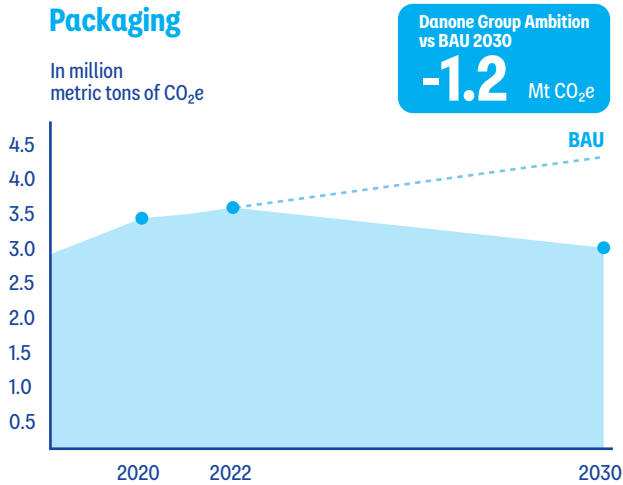
Key achievements

Danone Group

- 45 ktCO₂e GHG reduction between 2020 and 2024.
- 2% plastic footprint reduction between 2020 and 2024.
- 85% recyclable, reusable or compostable packaging in 2024.
- 60% plastic put on the market recovered from collection system in 2024.
- 16.8% recycled content in plastic packaging and 26.2% in its Waters category.

Danone China

- 98% of packaging materials are already reusable, recyclable and compostable.
- 100% recyclable package for each bottle of Mizone.
- 95% Mizone cartons made from recycled pulp.
- 30% plastic use reduction of each Mizone bottle in 2024 (vs. 2004).



SPOTLIGHT

End to End Circular Economy Practices

Lightweighting and Recyclable Design

Mizone is committed to reducing packaging weight without compromising product quality or consumer experience. Through design innovations such as narrowing the bottle neck, thinning labels, and optimizing the bottle mouth, the weight of each Mizone bottle has been reduced by 30% compared to 2004. Under equivalent production volumes, Mizone's plastic usage in 2023 decreased by over 800 tons compared to 2020.

Today, all Mizone products have obtained the Design for Recyclability Certification from the Plastic Recycling Branch of the China Synthetic Resin Association (CPRRA), achieving full bottle recyclability which improves the efficiency of downstream sorting.



Zero Waste to Landfill

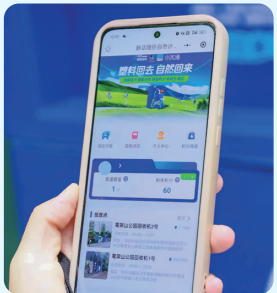
Danone adheres to the 7R Principle—Recognition, Regulation, Reduction, Reuse, Recycling, Recovery, and Refusal of Landfill—to drive comprehensive waste management and promote recycling and reuse across operations. Today all Beverage and Early Life Nutrition (ELN) factories have achieved Zero Waste to Landfill Certification, underscoring our commitment to sustainable practices.

Public Advocacy

Danone is committed to integrating recycling and circular economy principles into everyday life, inspiring broad public with sustainable lifestyle.

In 2024, Mizone launched the long-term environmental initiative “Get Nature Back,” designed to encourage young consumers to collect discarded plastic bottles during the trendy hiking trips, fostering a deeper connection between people and nature. Currently, Mizone smart recycling machines have been installed along ten popular hiking routes in Shenzhen, enabling hikers to deposit plastic bottles of any brand and earn “carbon points.” These points can be redeemed for hiking gear made from rPET, creating a closed-loop system of “collecting-recycling-regeneration.”

Looking ahead, the program will expand to more cities, continuing to advocate for a low-carbon lifestyle and promoting active engagement in sustainability.



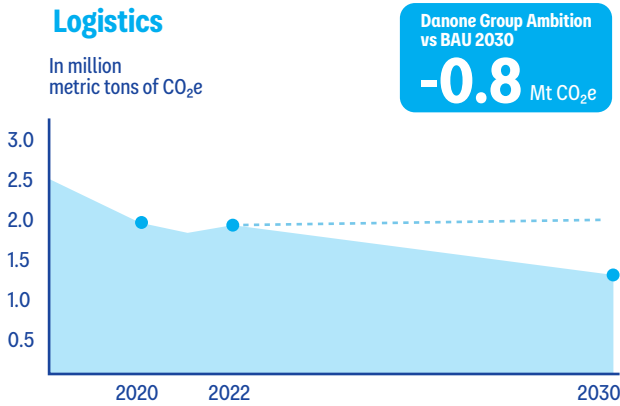
Key actions onwards

- Shift to lower-carbon materials.
- Eliminating unnecessary elements and/or reducing packaging intensity through light-weighting programs.
- End-of-life treatment improvements.
- Value chain management.

5 Improving logistics

Logistics currently accounts for 9.8% (2024) of Danone's carbon footprint. These emissions are essentially coming from transportation of Danone products, both upstream from suppliers' gate to Danone factories, and downstream from Danone factories to customers, as well as warehousing.

Danone is activating several levers such as increasing the filling rates of Danone's trucks, maximizing direct factory deliveries to its customers' distribution centers, and optimizing Danone's logistics network. Danone is also improving energy efficiency, transitioning to renewable energy in its warehouses and means of transportation, as well as shifting to multimodal transportation.



Key achievements

Danone Group

- 45 ktCO₂e GHG reduction between 2020 and 2024.
- Established a global logistics decarbonization program and governance structures.
- Developed country-specific roadmaps adapted to the features of local markets.
- Joined the Smart Freight Center, an international non-profit organization dedicated to minimizing the emissions impact of global freight transportation.
- Enhanced transportation CO₂ emission calculation methodology and implemented the Logistics Control Tower in Europe and Brazil, with ongoing implementation in the USA and Canada.

Danone China

- 39% short distance (<80km) deliveries in beverage business are green up to 2025 February, and will reach 50% by the end of 2025, including electric vehicles and green electricity usage.
- Almost 100% orders under 8 tons for beverage are delivered by electric vehicles in Xi'an, Zhengzhou, Chengdu, Tangshan, Kunming, and Guiyang.
- In 2025, Danone China launched a pilot program for hydrogen-powered transportation in Guangdong and Shanghai. China is the first market within the Danone Group to introduce hydrogen vehicles, marking an important step toward green logistics.
- 32% of the total electricity comes from solar green energy in Early Life Nutrition (ELN) Nansha warehouse.



SPOTLIGHT

Full Range Electrification Strategy

- Building on the existing 4.2-meter model, the new energy vehicle portfolios have successfully expanded to 6.8 meters, 9.6 meters and 13.5 meters, delivering a comprehensive electrification solution across all vehicle types.
- The Route Optimization System (ROS) further enhances operational efficiency, enabling new energy vehicles to achieve a loading rate of over 95%, setting an industry-leading benchmark.

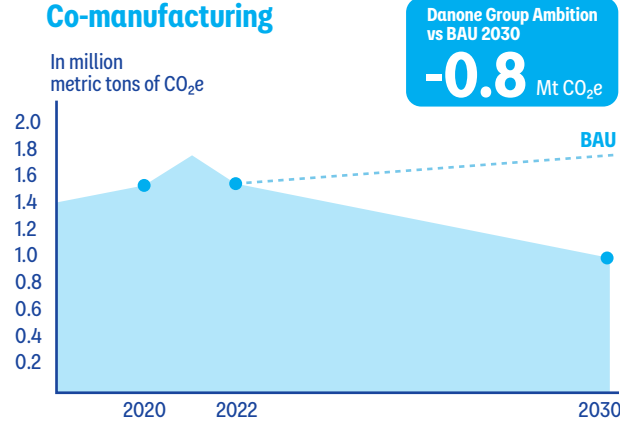


Key actions onwards

- Optimization and efficiency: encompass initiatives such as logistics control towers to maximize truck, wagon, and container filling rates, pallet density optimization, collaborative logistics, and the use of double-deck trailers.
- Model shift to explore alternative transportation modes, including minimizing air freight as much as possible, promoting rail and sea freight, and adopting multimodal solutions to optimize logistics and minimize emissions.
- Low-carbon warehouse initiatives to focus on energy reduction programs, transitioning to electric forklifts, adopting LED lighting, and exploring real-time energy monitoring in chilled warehouses to enhance efficiency.
- Innovative technologies to explore innovative engine technologies, including electric vehicles (EVs) and green hydrogen, in collaboration with third-party logistics providers (3PLs) to transition to lower emissions trucks.

6 Helping co-manufacturers towards decarbonization

In Danone's operations, co-manufacturing refers to a strategic partnership model where external manufacturers collaborate with Danone to produce and package some of Danone's products. Danone is actively engaged in initiatives to minimize carbon footprint within its co-manufacturing network.



Key achievements

Danone Group

- 549 ktCO₂e GHG reduction between 2020 and 2024.

Danone China

- Danone China's co-manufacturer Nanjing Zile has been certified as carbon neutral factory by SGS.

SPOTLIGHT

Nanjing Zile's journey of decarbonization

- Nanjing Zile has been entrusted with beverage production for Danone. It has implemented various practices in carbon reduction.
- 6,910.62 tCO₂e reduction achieved in 2023.
 - 100% renewable electricity usage since 2022.



Key actions onwards

- Align Danone's direct operations decarbonization actions with its co-manufacturing partners.
- Encourage Danone's co-manufacturing partners to commit to SBTi targets.

7 Engaging with our value chain

Danone recognizes that its suppliers play a pivotal role in climate action, with more than 50% of the 1.5°C emissions reduction contingent upon their capacity to reduce their GHG emissions. Danone is dedicated to fostering sustainable, inclusive growth with suppliers through collaborative partnerships that benefit both parties. Transparency, collaboration and a continuous improvement mindset are the cornerstones of Danone's supplier engagement strategy.

Key achievements

Danone Group

- Over 84% suppliers and subcontractors (by volume) are members of the Sustainable Dairy Partnership, a platform that supports the decarbonization of the dairy sector by the end of 2024.
- 24% reduction in on-farm emissions for ingredients sourced from Danone's key partner Royal Friesland Campina between 2015 and 2024.

Danone China

- Initiated "One Planet" Carbon Reduction Pledge in 2024 with 158 suppliers signed and together committed to low-carbon transition.
- Launched Supplier Empowerment Training program in 2024 with 252 suppliers already receiving trainings on low-carbon transition.
- 12 upstream and downstream suppliers have submitted committed SBTi targets.
- 32 suppliers have established GHG inventory mechanisms.
- 64 suppliers have set clear GHG emission reduction targets.
- 5 wall-to-wall factories have achieved carbon neutral.

Key actions onwards

- Work closely with suppliers to enhance their ability to reduce emissions through training and support.
- Implement supply chain transparency by sharing information on carbon emissions and sustainability practices with suppliers.
- Incorporate climate actions into supplier contracts to ensure a shared commitment to emissions reduction.
- Establish further collaborative partnerships with suppliers to develop customized decarbonization goals and roadmaps, fostering frequent interactions on progress and transparent reporting of emissions.

SPOTLIGHT

One Planet Climate Action Fund

In 2024, Danone Beverages China launched a 30M RMB Climate Action Fund to drive decarbonization across its supply chain and lead the food industry's green transition. The fund provides financial support and technical guidance to partners, promoting green energy adoption, sustainable packaging, green logistics, and circular economy practices.



8 Developing sustainable product offers for consumers

Danone is looking at solutions beyond the traditional levers of decarbonization and exploring not only low-carbon ingredients, but also different evolutions of its business models to generate value from lower carbon products.

**Danone Group Ambition
vs BAU 2030**
-1.4 Mt CO₂e

Key achievements

Danone Group

- Rolled out HowGood's product footprinting solution, automating and streamlining carbon footprint calculations for Danone's products based on a comprehensive database of over 90,000 emission factors.
- Reformulated Danone's Nutrison core tube feeding range by increasing the percentage of plant-based proteins, with a 17% reduction in CO₂ footprint on average versus the previous range, as certified by Carbon Trust.

Danone China

- All Mizone beverage products met the low-sugar or sugar-free product standards required by regulations.¹⁶

SPOTLIGHT

Mizone's sugar reduction journey

- Mizone offers a diverse range of hydration options, including low-sugar, sugar-free, and electrolyte beverages, catering to the varying needs of consumers.
- Mizone is committed to sugar reduction to promote healthier consumption and align with dietary guidelines. It ensures that 100% of its beverages are low in sugar while maintaining quality and taste. This initiative also contributes to CO₂ reduction. Compared to 2023, Mizone reduced carbon emissions by approximately 19,000 tCO₂e in 2024, given the same production volume.



Key actions onwards

- Integrate carbon footprint into innovation and renovation processes.
- Leverage lower carbon ingredients in product design, developing formulas with appealing nutritional and taste profiles, but with a lower carbon footprint.
- Foster innovation and breakthrough technologies, investing in and partnering with start-ups and suppliers to explore lower carbon innovations, such as alternative proteins and processing solutions.

Advocating in support of climate action

Policy is central to achieving Danone's climate ambitions. While voluntary private-sector action is vital, robust public policy accelerates progress, drives accountability and creates a level playing field. This is why climate change is a major focus of Danone's advocacy.

- Danone actively engages with governments to advocate for climate-related policies that drive positive changes in the food and beverage industry, focusing on areas such as climate disclosure, regenerative agriculture, and carbon pricing.
- Danone led a Business Call to Action through the World Business Council for Sustainable Development (WBCSD) during COP27, urging companies in the food sector to adopt science-based Net-Zero targets.
- Danone advocates for greater transparency and accountability in the private sector by promoting climate-related disclosures, building upon the guidelines of the Task Force on Climate-related Financial Disclosures (TCFD) and the CDP.
- Danone joined the Regenerative Landscapes initiative during COP28, aiming to aggregate, accelerate, and amplify new and existing commitments towards transitioning large agricultural landscapes to regenerative agriculture by 2030.
- Danone supports the establishment of a carbon pricing system that fosters a level playing field and encourages economy-wide greenhouse gas reduction.

In China, Danone also advocates in supporting China's "Dual Carbon" goals and Beautiful China national agenda.

- Danone China takes part in significant national events including China Development Forum(CDF), Hongqiao International Economic Forum at China International Import Expo (CIIE), and International Business Leaders' Advisory Council for the Mayor of Shanghai (IBLAC) , where it share global leading expertise and

insights to support the development of climate positive policies and standards.



Antoine de SAINT-AFFRIQUE, CEO of Danone, addressed at China Development Forum (CDF) and International Business Leaders' Advisory Council for the Mayor of Shanghai (IBLAC).



Bruno CHEVOT, President of Danone China, North Asia and Oceania, spoke at Hongqiao International Economic Forum at China International Import Expo (CIIE).

- Danone co-developed one of the beverage industry's first carbon accounting standards, led by the China Beverage Industry Association. The Requirements of Greenhouse Gas Emission Accounting and Reporting for Beverage Enterprises took effect in 2025.
- Danone chairs rPET sub-group of Joint Working Force for Sustainable Food Contact Materials in China, advancing the safe recycling of food contact materials and the implementation of environmentally sustainable packaging solutions in China's F&B industry.
- Danone China serves as the Chair of the Consumer Goods Forum China (CGF China) Sustainability Coalition, dedicated to advocating and driving the implementation of sustainable designing, carbon reduction, and circular economy initiatives in China.

CHAPTER FOUR

BEST PRACTICES: THE DANONE STORIES



Mizone: Danone's pioneering brand leading green transition of China's beverage industry

China's "Dual Carbon" goals and rising green consumption are reshaping the food and beverage industry, driving companies to take active measures. However, the industry's sprawling value chain poses challenges, with many emission-heavy stages beyond direct control.

A 20-year green journey

As the top-selling Chinese vitamin drink, Danone's Mizone brand has embraced its responsibility to minimize its environmental impact while empowering consumers to make more sustainable hydration choices. Over the past 20 years, Mizone has pursued a sustainable mission, adopting a holistic approach to reduce carbon emissions

throughout its value chain - from production and transportation to consumption - all in alignment with the group's climate transition plan.

Today, all Mizone production factories have earned **National Green Factory** certifications, as well as carbon-neutral factory certifications.



The story behind Mizone's success

From vision to reality: how Mizone transformed its operations for carbon neutrality

Mizone's path towards Danone's Net-Zero commitment began with bold transitions at its production facilities. Shortly after its launch in 2003, Mizone embarked on efforts focusing on energy and water conservation, and plastics reduction - practices that have since become deeply integrated into its operation over the years.

As early as 2017, Danone implemented photovoltaic power project at its Xi'an and Zhongshan facilities, harnessing the solar energy to meet over 20% of their energy needs. The best



practices were soon expanded to other Mizone factories.

Since then, the company has steadily advanced through initiatives such as improving energy efficiency, transitioning to renewable energy, implementing waste recycling, and building sustainable logistics systems. Renewable energy sources, including green steam, now contribute to a remarkable 82% of energy used across its production sites.

Behind the scenes, innovative solutions like heat recovery systems and smart digital monitoring platforms ensure that every watt of energy is maximized. Mizone's initiatives have achieved a 96% reduction in production carbon emission intensity (Scope 1&2) while earning recognitions from government, receiving carbon neutral certifications awarded by Société Générale de Surveillance (SGS) against PAS2060.

Beyond the factory: decarbonizing every link in the value chain

Sustainability extends beyond factory walls.

Mizone's packaging innovations are equally impactful. In 2024, the brand has reduced the weight of its bottles by 30% compared to 2004.



Mizone has also revolutionized its logistics by introducing fleets of new energy vehicles for short distance delivery. The percentage of green logistics in shortdistance delivery achieving 25%,

Water management has added another layer to this transition. With initiatives such as the "Second Life of Water" project, since 2004, Mizone has cumulatively saved 2.2 million tons of water by 2024, safeguarding an invaluable resource while reimagining efficient production.

There is also a lush ecological garden sitting in one corner of Wuhan Mizone Factory, with construction materials and fertilizers coming from reusing factory waste and wastewater. The fruits and vegetables produced as a result not only absorb carbon dioxide, but are also used to improve employees' diets.



while almost 100% orders under 8 tons in Xi'an, Zhengzhou, Chengdu, Tangshan, Kunming, and Guiyang are delivered by electric vehicles. The brand is also piloting hydrogen-powered trucks in Guangdong and Shanghai to further redefine what sustainable transportation could achieve.

Crucial partnerships also play a transformative role. Zijiang Enterprise, Mizone's partner since 2011, operates a wall-to-wall facility next to the Danone Fengrun factory, drastically minimizing transportation emissions. By 2023, Zijiang achieved 100% renewable electricity usage, reducing carbon emissions by over 95% compared to 2012.

"Throughout our decade-long partnership, Danone has continuously inspired us, leading to a significant reduction in our carbon emissions. I am delighted to see that our factories have obtained carbon neutrality certification now." said Zhongfang Li, Director of Production and Operations, Management Center at Zijiang Enterprise Container Packaging Division.

To date, five of Danone's wall-to-wall beverage factories have achieved carbon neutrality. In 2024, Danone China also launched a 30M RMB Climate Action Fund to support value chain partners in decarbonization.

Mizone: Danone's pioneering brand leading green transition of China's beverage industry

Inspiring a green movement: engaging consumers for change

Mizone's commitment to sustainability extends to its consumers, encouraging them to embrace green choices. The mark called "From Carbon Neutral Factories" is printed on Mizone bottles, reminding consumers of the collective impact of sustainable actions.



The launch of the Wuhan Green Factory Exhibition Hall in 2022 has taken public engagement to new heights. Visitors are immersed in Mizone's green journey through interactive displays that highlight the power of everyday low-carbon decisions. Thousands of visitors - from government officials to students - have visited, fostering a culture of dialogue and awareness.

Mizone's LOOP campaigns have further inspired young sustainability advocates. Mizone supported students to carry out nearly 80 environmental protection activities in 15 universities, reaching over 2.18 million college students through university publicity and student's social media communications. Another long-term initiative, Get

Nature Back, launched in 2024, encourages young consumers to collect plastic bottles while enjoying the trendy hiking lifestyle, fostering a deeper connection between individuals and nature. The first event in Shenzhen recycled 2,300 plastic bottles in 5 hours, and the project plans to expand to more cities in the future.



By empowering the next generation, Mizone has built a movement that extends beyond its brand to shape communities.



A vision realized: a model for green transition

Mizone's 20-year journey exemplifies what is possible when sustainability becomes one of the core parts of a business strategy. By taking actions across the entire value chain, the brand has reshaped its operations and set a model for the food and beverage industry in China, supporting China's "Dual Carbon" goals.

Mizone's story is not only about reducing its own

emissions, but about inspiring systemic change. As it continues to drive sustainable progress, Mizone demonstrates that green transition is a shared journey - one that requires bold actions and partnerships at every level. Through its efforts, Mizone is not just following the path to Net-Zero; it is paving the way for others to follow, proving that sustainable growth can lead to a healthier planet and a brighter future for all.

Mizone / Green Factory Exhibition Hall



Lead in methane reduction:
first ever in food industry

In 2023, Danone committed to the Global Methane Pledge, targeting a 30% reduction in methane emissions from fresh milk by 2030 (compared to 2020 baseline), which will eliminate 1.2 million tons of CO₂ equivalent. This makes Danone the first major food company to adopt a methane-specific climate commitment and the first to join the Global Methane Hub's Enteric Fermentation R&D Accelerator. It is aimed at developing scalable and practical solutions for dairy farmers to reduce methane emissions.

The methane story:

Methane emissions represent approximately 25% of Danone's carbon footprint and 42% of its agriculture footprint. The company has been working to reduce GHG emissions for over a decade, including methane emissions from dairy. As a global dairy leader, Danone believes in the power and relevance of dairy to deliver a healthy, sustainable future.

WHY methane matters?

- **Methane is a potent greenhouse gas.** Methane has more than 80 times the warming power of carbon dioxide over the first 20 years after it reaches the atmosphere. At least 25% of global warming is currently driven by methane linked to human activities.
- **Methane reduction will deliver immediate benefits.** Acting now to reduce methane emissions will provide immediate benefits to the climate that carbon dioxide reductions cannot achieve on their own.
- **Dairy can play a meaningful role in reducing methane.** Methane emissions from agriculture and livestock make up approximately 40% of global methane emissions, with roughly 32% coming from livestock activities and 8% from rice cultivation. Dairy cattle represent an estimated 8% of methane emissions.

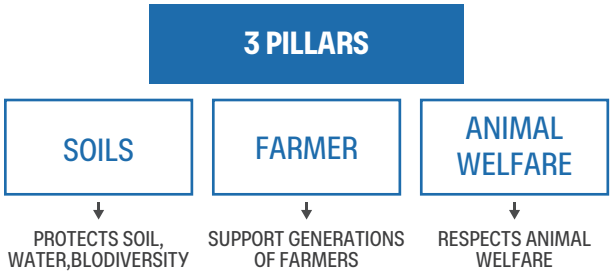
Recognizing the growing importance of methane reduction, the global community has taken decisive actions. In 2021, the Global Methane Pledge was introduced, aiming for a 30% reduction in global methane emissions by 2030, while China has also contributed to these efforts by launching its Methane Emission Control Action Plan in 2023.

The actions taken towards the Global Methane Pledge target

Transition to regenerative practices

Danone is leading the shift toward regenerative practices through a comprehensive approach centered on 3 main pillars, protecting soil, empowering a new generation of farmers, and promoting animal welfare. It is a response to the overwhelmingly predominant current practices that fail to sufficiently address the release of carbon dioxide in the atmosphere, soil degradation, water resources depletion and biodiversity loss.

Danone's regenerative agriculture plan for animal feed, combined with initiatives to improve herd and manure management on dairy farms, is designed to significantly reduce the GHG emissions. It also enhances soil health for feed and crops, while providing solutions to improve energy efficiency on farms.



Danone worked with the World Wildlife Fund France (WWF France), technicians, and a diverse group of environmental and agricultural experts to create a scorecard as a guide to engage farmers and accompany them through the regenerative agriculture journey.

Equip the farmers to lead

Danone works directly with 58,000 dairy farmers, including many smallholders, and sources most of milk locally, within 200km around its factories. Danone has been working with many of these farmers and other partners to develop and deploy tools for regenerative agriculture practices, such as Cool Farm Tool (CFT) worldwide (18 countries), CAP2ER tool for France, and R3 tool - "Robust, Resilient and Reliable" in US, Farming for Generations (F4G), Danone Regenerative Agriculture Scorecard and the Danone Environmental Handbook etc.

Develop innovative solutions

- Danone is piloting new feed additives designed to reduce methane enteric emissions (Bovaer in Belgium).
- Zero Emissions Livestock Project (ZELP), invested by Danone Ventures, has developed a cow wearable accessory that aims to reduce methane emissions by more than half.
- Symbrosia, invested by Danone Ventures, has developed a seaweed-based feed additive, SeaGraze, that reduces livestock methane emissions by over 80%.

Act with collective efforts

Danone is accelerating its methane reduction journey by strengthening existing partnerships and forging new ones.

Conclusion

Danone's pioneering efforts in regenerative dairy farming and methane reduction highlight the transformative power of innovative approaches in reshaping traditional agriculture. By setting bold targets, cultivating partnerships, and implementing best practices, Danone is not only reducing its environmental impact but also establishing a scalable model for sustainable agriculture. Danone's journey demonstrates that environmental stewardship and business success can go hand in hand, offering an inspiring roadmap for the global food and beverage industry.



- The Environmental Defense Fund (EDF) and Danone are launching a strategic partnership to support Danone's ambitious efforts on methane reduction.
- Danone is the first company to join the Global Methane Hub (GMH)'s Enteric Fermentation R&D Accelerator which aims to invest in breakthrough research and innovation for dairy farmers to reduce methane emissions.
- Danone publicly advocates for policies that clearly lay out required reductions in methane emissions, specific reporting on methane, improved research on GHG reduction in agriculture, partnerships and co-financing to support farmers.
- Danone engages consumers in shifting to a more sustainable food system.
- Danone invites business, government, and communities to work together towards methane reduction.

Epilog

Creating a shared future a healthier future for people and planet

Climate change is a global challenge that affects every corner of the planet - disrupting economies, livelihoods, and communities. But in the face of these shared challenges, there is an opportunity to build a more sustainable future together.

Danone understands the importance of its role in the fight against the climate change. The world's food systems rely on fragile natural resources while also contributing significantly to carbon emissions. This dual reality presents both a challenge and a call to action. For decades, Danone has led the way with science-based decarbonization strategies, robust governance, and tangible climate action.

In recent years, China has demonstrated remarkable leadership and commitment in addressing climate change with its ambitious "Dual Carbon" goals - peak carbon emissions by 2030 and achieve carbon neutrality by 2060. This unified push requires the active and committed participation of all industries.

Yet, in this grand journey, the food and beverage sector in China is still in the early stages of its low-carbon transition. This is where Danone's experience can offer valuable insights, providing a roadmap for others navigating the complexities of climate action, and supporting the industry toward climate resilience and sustainable future.

First, "stand on the shoulders of pioneers". Climate actions vary differently across industries. Companies like Danone, as early movers, have paved the way by tackling initial challenges and refining strategies that others can learn from. By sharing proven approaches, these pioneers help

reduce the risks and costs of climate action for other companies and contribute to the collective momentum needed to meet China climate goals.

Second, "collective efforts are the key to success". The value chain of food and beverage industry is vast and interconnected - from sourcing raw ingredients, to production, processing, logistics, and consumption. Climate progress requires collaboration at every step. No single company can make lasting change alone. Partnerships and coordinated efforts across the value chain are essential to drive impactful progress.

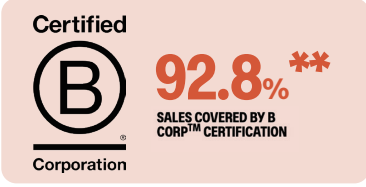
Third, "actions speak louder than words". Ambitious goals and bold promises are only meaningful if backed by action. Climate initiatives must be more than policy statements - they must be tangible and impactful. True progress happens when strategies are put into practice, resulting in real change on the ground. The entire industry must take collective steps to build momentum toward a low-carbon future.

Danone is committed to supporting the low-carbon transition of the food and beverage industry by sharing expertise, fostering partnerships, and promoting solutions that can help the industry decarbonize.

In a shared pursuit of a more sustainable and healthier planet, Danone reaffirms its commitment to being a trusted partner in China's journey towards its "Dual Carbon" goals and building a "Beautiful China". With unity, innovation and collaboration, Danone expects to create a shared future for generations to come.

Performances and Recognitions on Sustainability

Group Performance and Recognition



Danone China Performance and Recognition



* Published by Carbon Disclosure Project in 2025.
** As of 31/12/2024, from Danone 2024 Universal Registration Document.
*** Awarded by TÜV Rheinland.

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This document is prepared by Danone China. It includes information from the Danone Group [Climate Transition Plan](#) released in 2023 and [2024 Universal Registration Document](#), completed by specific programs and initiatives in Danone China.

About Danone (www.danone.com)

Danone is a leading global food and beverage company operating in three health-focused, fast-growing and on-trend categories: Essential Dairy & Plant-Based products, Waters and Specialized Nutrition. With a long-standing mission of bringing health through food to as many people as possible, Danone aims to inspire healthier and more sustainable eating and drinking practices while committing to achieve measurable nutritional, social, societal and environment impact.

Danone has defined its *Renew* strategy to restore growth, competitiveness, and value creation for the long-term. With over 90,000 employees, and products sold in over 120 markets, Danone generated €27.4 billion in sales in 2024. Danone’s portfolio includes leading international brands (*Actimel*, *Activia*, *Alpro*, *Aptamil*, *Danette*, *Danio*, *Danonino*, *evian*, *Nutricia*, *Nutrilon*, *Volvic*, among others) as well as strong local and regional brands (including *Aqua*, *Blédina*, *Bonafont*, *Cow & Gate*, *Mizone*, *Oikos* and *Silk*).

Listed on Euronext Paris and present on the OTCQX market via an ADR (American Depositary Receipt) program, Danone is a component stock of leading sustainability indexes including the ones managed by Moody’s and Sustainalytics, as well as the MSCI ESG Indexes, the FTSE4Good Index Series, Bloomberg Gender Equality Index, and the Access to Nutrition Index. Danone’s ambition is to be B-Corp certified at global level in 2025.



Danone products available in China



FROM VISION TO ACTION

DANONE CHINA CLIMATE ACTION WHITE PAPER
ON SUPPORTING CHINA'S GREEN TRANSITION