

**DANONE**

**BIODIVERSITY**

**STRATEGY 2024**

**TOWARDS A HEALTHY NATURE FOR A  
RESILIENT FUTURE**



**DECEMBER 2024**

## DANONE BIODIVERSITY STRATEGY 2024

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# WHY BIODIVERSITY MATTERS

## INTRODUCTION

**Biodiversity<sup>1</sup> is vital for the health of our planet and its people.** It supports ecosystems resilience, provides essential resources like food and water, and contributes to the regulation of our planet. The food system and food sector rely on biodiversity for a variety of natural ingredients and resources needed to produce diverse and nutritious products, making its preservation essential for the food system's resilience and sustainable growth to feed the world population.

**Yet, biodiversity faces threats,** with a 73% decline in wildlife populations since 1970<sup>2</sup> and over one third of the wetlands lost since 1980. The loss of genetic diversity impacts adaptability to environmental changes and increases vulnerability to diseases.

To address these challenges, **all stakeholders are needed.** Regulators are reinforcing legislation, companies are designing and testing solutions, investors are integrating biodiversity in their decision-making, and civil society is calling for policymakers and economic actors to act immediately. The biodiversity preservation and restoration require the collaborative and concerted efforts of governments, corporates, and advocates to bring ideas, policies, technologies, and finance to scale solutions and new approaches to doing business.

**At Danone, we recognize that our impact, and reliance, on nature are deeply interconnected.** We have a responsibility to protect nature, not only to ensure the sustainability of our business and supply chain but also to enhance the well-being of the communities we serve, including our farmer partners, consumers and patients, and society in general. **Thriving nature and healthy ecosystems are essential for fulfilling human rights** such as access to food, clean air and water, health, culture, and life itself.

**Protecting and restoring biodiversity is integral to our mission** of bringing health through food to as many people as possible. We realize, however, that we cannot achieve this alone, so we engage **with global external stakeholders and coalitions,** such as One Planet Business for Biodiversity (OP2B) and Business for Nature (B4N), to drive collective action and share best practices.

**This Biodiversity Strategy aims to convey our understanding of the impacts and responsibilities we have towards biodiversity. It brings together Danone's efforts across our business, value chain, and communities, and clarifies our approach to biodiversity. By guiding our actions and commitments in the coming years, it seeks to strengthen the resilience of both our business and natural ecosystems.**

We are excited to continue this journey with our teams and partners, working in harmony with nature to restore and preserve the natural ecosystems we depend on.

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<sup>1</sup> The variability among living organisms from all sources including, inter alia, terrestrial, marine and other aquatic ecosystems and the ecological complexes of which they are part. This includes diversity within species, between species and of ecosystems.

<sup>2</sup> World Wildlife Fund Living Planet Report 2024– the figure is based on almost 35,000 population trends and 5,495 species of amphibians, birds, fish, mammals, and reptiles. [2024 Living Planet Report \(worldwildlife.org\)](https://www.worldwildlife.org/publications/2024-living-planet-report)

## OUR GUIDING PRINCIPLES

Danone's mission is to bring Health through Food to as many People as possible. We believe that performance and responsibility go hand in hand as stated in the Dual Project and our B Corp ambition. We believe it can only happen through a deep commitment to Nature and vibrant ecosystems. This is reflected in our sustainability strategy, the Danone Impact Journey, which emphasizes, among others, the importance of decarbonizing our value chain, maintaining healthy ecosystems, and fostering sustainable agriculture. Fostering biodiversity is deeply rooted in our sustainability agenda.

Danone has identified a systemic approach to preserve and regenerate nature with the following principles:

- **Valuing Nature:** Recognizing nature as a vital asset, Danone integrates the value of ecosystem services—benefits derived from thriving ecosystems—into its business model and operations. This approach ensures the long-term sustainability and resilience of these ecosystems.
- **Adopting a holistic perspective, grounded in science and local knowledge:** Danone acknowledges the interconnectedness of nature and the importance of understanding the relationships, trade-offs, and synergies involved. We use both the latest scientific insights and local knowledge from communities to understand, and assess our environmental impacts. By doing so, we advocate for making decisions that consider a balanced, holistic context, moving away from a siloed approach to sustainability,
- **Integrating local insights to create effective global strategies:** Danone tailors its initiatives to meet community needs while contributing to broader environmental goals. By adapting global strategies to fit local contexts and collaborating with communities, Danone ensures local actions inform and enhance the global strategy.
- **Fostering collective action:** Danone strongly believes in the power of collective action to drive impactful change. By aligning with global standards, we show our commitment to sustainable growth. We achieve this by sharing our expertise, advancing science and research, and fostering innovation. Our active participation in coalitions, along with our emphasis on collaboration and co-financing, are crucial strategies for driving systemic change and ensuring resilient landscapes, ecosystems, and biodiversity.

## WHAT IS OUR AMBITION?

As part of our mission, we are committed to progress and lead health through food for consumers and patients, preserving and regenerating nature, and fostering thriving people and communities. To achieve our Nature pillar, one of our key ambitions is to preserve and restore biodiversity and nature. We support the Kunming Montreal Global Biodiversity Framework (KMGBF) that aims to halt and reverse nature loss by 2030 and achieve full nature recovery by 2050<sup>3</sup>.

<sup>3</sup> Kunming-Montreal Global Biodiversity Framework [15/4. Kunming-Montreal Global Biodiversity Framework \(cbd.int\)](https://www.cbd.int/kmgbf/)

We do this by:

- **Promoting regenerative agriculture practices** that enhance soil health and carbon sequestration, protect water resources, and support diverse ecosystems, while **supporting farmers livelihoods and working conditions**.
- **Conserving and restoring ecosystems** by preserving freshwater systems, forests, peatlands, wetlands, grasslands, and other natural habitats, while **tackling deforestation, conversion, and land degradation**.
- **Maintaining diverse ecosystems** to contribute to climate resilience and adaptation.
- **Ensuring that all sourcing practices** are environmentally, socially and ethically responsible and in line with the [Danone Sustainable Sourcing Policy](#).
- **Engaging with and supporting communities** impacted by our activities and business decisions, to foster resilience and sustainable development.

## MATERIALITY ASSESSMENTS AND METHODOLOGIES

Danone leverages scientific research and robust existing frameworks, adapting them to its business model, challenges, and opportunities. This approach ensures that Danone's initiatives are both science-based and tailored to address specific environmental and business needs.

Among the methodologies we use are:

- **Assess, Commit, Transform -Disclose (ACT-D)**: a strategic framework on biodiversity institutionalized by Business for Nature, and supported by many key organizations<sup>4</sup>. It focuses on actionable, collaborative, and transformative strategies to drive sustainable development and corporate responsibility.
- **Double materiality assessment**: Danone conducted a double materiality assessment (i.e., impact and financial materiality assessments) to evaluate biodiversity impacts, dependencies, risks, and opportunities both for our business and for nature. This analysis covered all our production sites and the procurement of key materials and agricultural ingredients<sup>5</sup>.

### *Focus on Danone double materiality assessment 2024*

We relied on robust and science-informed methodology aligned with key frameworks and tools such as the Science Based Targets Network (SBTN), the Taskforce on Nature-related Financial Disclosures (TNFD) framework, and WWF Biodiversity Risk Filter Tool<sup>6</sup>. We assessed the positive and negative pressures our activities exert on nature based on the regions and ingredients that are the most material.

This double materiality assessment identified our most material challenges, enabling us to orient and prioritize our actions. The outcomes showed that Danone's most material activities are concentrated upstream since we source ingredients from agricultural landscapes. The five main

<sup>4</sup> Capitals Coalition, the World Business Council for Sustainable Development (WBCSD), TNFD, SBTN, the World Economic Forum (WEF), and WWF.

<sup>5</sup> We selected 23 ingredients in this analysis, which belong to the High Impact Commodities (HIC) list, as recommended by SBTN methodology.

<sup>6</sup> The [WWF Biodiversity Risk Filter](#) is a portfolio-level screening tool to help companies and investors to prioritise action on what and where it matters the most to address biodiversity risks for enhancing business resilience and contributing to a sustainable future

challenges and opportunities we are facing are related to **soil health, water use and water quality, land use, climate change and ecosystem intactness.**

Each of these challenges is systemic, encompassing a wide range of environmental and social dimensions.

## OUR COMMITMENTS ON BIODIVERSITY

The table below summarizes the key challenges and corresponding commitment of Danone’s biodiversity strategy.

CHALLENGE <sup>7</sup>	COMMITMENTS
<b>Soil health</b>	<ul style="list-style-type: none"> <li>30% of key ingredients we source directly will come from farms that have begun to transition to regenerative agriculture by 2025</li> </ul>
<b>Water stewardship (water use and water quality)</b>	<ul style="list-style-type: none"> <li>Reduce, Reuse, Recycle, Reclaim (4R) approach will be deployed in all our production sites by 2030</li> <li>Watershed preservation/restoration plans in highly water-stressed areas by 2030<sup>8</sup></li> <li>Ensure that 50% of the key water-material ingredient volumes sourced from water-risk areas will be produced under water-improved management by 2030</li> </ul>
<b>Land use</b>	<ul style="list-style-type: none"> <li>Verified Deforestation and Conversion free sourcing in our direct supply chains for in scope commodities<sup>9</sup> by 2025</li> <li>Deforestation and conversion-free commitments will be cascaded through the direct supply chain by 2025</li> </ul>
<b>Climate change</b>	<ul style="list-style-type: none"> <li>CO2 reduction by 2030 in line with 1.5C SBTi</li> <li>Net Zero by 2050</li> <li>30% reduction in Methane emissions from fresh milk (EDP<sup>10</sup>) by 2030</li> </ul>
<b>Ecosystem intactness</b>	<p><i>In addition to the commitment related to soil health mentioned above, Danone will pursue its efforts through collective action programs and coalitions to:</i></p> <ul style="list-style-type: none"> <li>Reinforce preservation and restoration activities of freshwater ecosystems around our operations</li> <li>Support landscape projects with a focus on strengthening farmer livelihoods</li> </ul>

Actions related to commitments are presented in the section 'How do we Execute.' For more information, please refer to Danone Universal Registration Document and Climate Disclosure Project’s questionnaires.

<sup>7</sup> Challenge embeds nature related dependencies, impacts, risks, and opportunities that concern Danone activities, resulting from our double materiality assessment.

<sup>8</sup> [Danone Water Policy](#)

<sup>9</sup> In scope commodities include paper & board, palm, soy, and cocoa – cf. [Danone’s Forest Policy](#)

<sup>10</sup> Essential Dairy Product

## HOW DO WE EXECUTE OUR AMBITION?

The food system and food sector play a vital role in both contributing to and benefiting from biodiversity and healthy ecosystems. While it does have impacts related to land use, pollution, water use, and GHG emissions<sup>11</sup>, it relies on and enhances healthy ecosystem services such as pollination, soil fertility, and water regulation. This sector, with its deep connections to natural ecosystems, holds great potential for protecting, preserving and regenerating nature, and for contributing to Net-Zero economies and societies.

### DANONE'S ACTIONS FOR CONTRIBUTING TO HALTING AND REVERSING NATURE LOSS BY 2030

#### Soil health

*Soil health degradation, arising from pollution, is a global driver of biodiversity loss. Soil health is critical to ensure resilience, long-term productivity and decarbonization of upstream supply chains. By adopting regenerative agriculture, Danone helps mitigating, adapting, and improving soil health impacts on biodiversity.*

Danone actively collaborates with farmers and farming partners to advance regenerative agriculture. As a holistic and outcome-based approach to farming, regenerative agriculture is grounded in principles that improves soil health, water resources management and biodiversity<sup>12</sup> preservation, empowers new generation of farmers, and promotes animal welfare<sup>13</sup>. In particular, regenerative agriculture recognizes the importance of nature as the driver for resilient, productive, and low carbon supply chains and food systems.

Within regenerative agriculture, soil health - particularly soil biodiversity (i.e., the community of soil organisms: bacteria, fungi, earthworms, and insects) - is central to healthy and functioning ecosystems. It provides essential functions such as sustaining plant and animal life by providing structure, supporting plant growth, and providing habitats for both below and above ground species. Soil health also facilitates water infiltration and storage, it filters, and buffers potential pollutants, sequesters carbon, and ensures nutrients cycling (including storage and plant availability). Due to its strong link to water availability and carbon sequestration, soil health is crucial for enhancing farm resilience to climatic hazards such as heat waves, floods, or droughts. In addition to Danone's initiatives, we encourage farmers to reflect and revise their farming strategies and actions to improve soil health.

To restore and improve soil health, Danone promotes practices such as limited or no tillage to minimize soil disturbance, cover cropping to protect the ground by implement keyline design and using manure as organic fertilizer to reduce mineral fertilization and improve soil structure and fertility. By bridging animal welfare with regenerative agriculture, we also promote rotational and dynamic grazing. Additionally, Danone supports longer crop rotations with varying root structures, nutrient, and water requirements to enhance nutrient and water cycling and disrupt pest and weed pressure.

<sup>11</sup> Impact on biodiversity of the Food and Beverage Sector according to SBTN Materiality Screening Tool

<sup>12</sup> Cultivated biodiversity and semi-natural habitats on farm.

<sup>13</sup> Danone Regenerative Agriculture Handbook and Scorecard, [Animal Welfare Report 2022 \(danone.com\)](https://www.danone.com/animal-welfare-report-2022)



In 2023, 38% of the farms we directly sourced from have begun their transition to regenerative agriculture, including improved soil management practices.

We recognize the impact climate change can have on farmers' livelihoods and are committed to supporting them in this transition through training, technical assistance, and tools. One of the pillars of Danone Ecosystem is to promote regenerative agriculture, for instance:

- In Europe, Danone France's Pachamama project supports French fruit, vegetable, and cereal farmers in applying and sharing regenerative agriculture practices that respect soil health and biodiversity. By the end of 2023, the project had reached 38 pilot farms, held 67 training sessions on regenerative agriculture, and shared expertise with 375 farmers and technicians.
- In South America, in 2021, Danone Brazil launched the Flora Project to implement regenerative practices for different dairy production models, such as rotational grazing with tree shading, no-tillage, cover crops, and manure management. The project started in 2021 with 22 hectares and in 2023 the Flora Project covered around 1,400 hectares with regenerative practices, contributing to the farms seeing improvements in soil health, biodiversity, feed autonomy and forage quality.
- In North America, we implemented our Soil Health program for the past 5 years to successfully implement regenerative agriculture practices on 139,000 acres used for animal feed for the dairies, developing cover crops, crop rotations, and no-till on significantly higher proportions compared to national averages.

To accelerate and scale our impact, we are also working with peers sharing a common vision of regenerative agriculture (including metrics and methodologies) to support our supply chain partners. For instance, Danone has been actively participating in the Sustainable Agriculture Initiative (SAI) Platform, especially when co-building the Global Regenerating Together Framework, which focuses on four key outcomes of regenerative agriculture: soil health, water, biodiversity, and climate. Transition to this new globally aligned framework began in several local Danone's businesses in 2024 and will progressively be deployed.

### **Water stewardship**

*Water stewardship refers both to the use and protection of water resources in ways that are socially equitable, and economically beneficial, and environmentally sustainable, not just for the water resource but for the broader natural ecosystem. Both water use and quality derive as critical challenges to address both of the following global biodiversity loss drivers: resource exploitation and pollution. At Danone, water stewardship remains a priority to preserve and regenerate freshwater ecosystems in and around our factories and agricultural upstream sourcing activities.*

Danone is committed to addressing water-related challenges and reaffirmed its engagement and commitments in the [Danone Impact Journey Report on Water](#), published in 2024.

#### *Water footprint in our own industrial sites*

Water use and water quality are critical challenges for Danone, especially in areas facing increasing water-related risks.

Through our water stewardship approach, we aim to reduce water footprint across all operations and to avoid degrading aquatic ecosystems discharging treated industrial wastewater. Danone is committed to achieving operational excellence in water management at all production sites. By

2030, we aim to implement our 4R strategy (Reduce, Reuse, Recycle, and Reclaim) at 100% of our production sites. This strategy involves developing site-specific roadmaps that consider watershed stress, other users of the watershed, local contexts and regulations, and technological feasibility. In 2023, 95% of our sites had active 4R action plans to Reduce, Reuse, Recycle or Reclaim water internally or externally. We monitor wastewater quality according to the Danone Clean Water Standard. We will focus on sites facing water risks, aiming to reduce water consumption intensity by 50% compared to 2015 levels and maximize water reclaim to achieve 100% locally reclaimable water.

*Freshwater ecosystems surrounding our sites and supply chains*

Danone aims to implement watershed preservation or restoration plans for 100% of our production sites located in high water stress area, which represent about 60 watersheds<sup>14</sup>. These plans involve co-designing nature-based solutions like land restoration through agroforestry, wetland restoration, regenerative agriculture and water use efficiency measures on irrigation. Local communities are involved in the codesigning of solutions and their implementation. A landscape approach is considered as well as strengthening local water governance with a variety of stakeholders - authorities, NGOs, academics, socio-professional groups. This approach based on scientific knowledge of water uses and resources aims to positively impact the environment and support community livelihoods. In watershed preservation where we carry out landscapes approach, nature-based solutions implementation can take place in existing protected areas such as Ramsar site, national or regional park, biodiversity park around our plants. These solutions are beneficial to the biodiversity, in particular to the preservation of endemic species.

Currently, we have integrated watershed management and water stewardship plans primarily in France, Indonesia, Mexico, and Spain. As an example, Danone started in 2016 the Rejoso project in Indonesia to preserve and restore the water resources at the watershed scale. The Rejoso watershed faced runoff and erosion in upstream, and high-water usage downstream. Through a landscape approach, Danone worked with local stakeholders to decide actions jointly. They implemented agroforestry upstream and midstream, and regenerative agriculture downstream, reducing fertilizer use and promoting sustainable irrigation for paddy rice cultivation. After six years, 184 farmers increased their incomes up to 30% and reduced significantly their methane emissions. This example shows our local landscape approach with a global vision and thinking. Our objective is to expand this approach to other watershed and co-design new plans and actions to cover all production sites in water-stressed areas.

Beyond industrial sites, Danone recognizes that 89% of its water footprint comes from its upstream value chain. That is why we collaborate with local farmers and direct suppliers to reduce water use in key areas, embedding this work in our regenerative agriculture programs, and suppliers' engagement activities. In upstream value chain, we aim at baselining farmers' water footprint and engage suppliers to strengthen environmental practices through environmental due diligence tools, capacity building in water stewardship, best practice sharing. For example, alongside the deployment of our [Sustainable Sourcing Policy](#), we start leverage a sectorial multi-stakeholder Human Rights Environmental Due Diligence (HREDD) assessment tool to support suppliers in assessing their existing environmental due diligence systems, with a focus on water-related issues. We are piloting this tool with specific suppliers. This helps them understand their current maturity

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<sup>14</sup> Number based on yearly Water Risk Filter analysis. This corresponds to 2023 results, based on 2022 data. This number can evolve based on data set and total number of productions sites.

levels across the HREDD requirements and develop an action plan to enhance the robustness of their systems. Additionally, it allows us to tailor dedicated training sessions for improvement, in line with the HREDD.

### **Land use**

*Land-use change due to human activities is one of the five key drivers of biodiversity loss, impacting terrestrial ecosystem distribution, health, and natural cycles. It is one of the main challenges for specific sourcing activities that Danone has been actively contributing to tackle.*

Danone is committed to tackling deforestation, conversion, and land degradation through a time-bound approach. It addresses all forms of deforestation and land conversion following the Accountability Framework initiative definitions. Our commitments and approach are outlined in the [Danone Forest Policy](#), our progress is being disclosed within our annual dedicated report. The first milestone aims to achieve verified Deforestation and Conversion-Free for key commodities in the scope of our Forest policy by 2025<sup>15</sup>. In 2023, Danone has achieved 85% of verified DCF volume for these commodities<sup>17</sup>

Danone is also committed to advancing assessment and mitigation of deforestation and conversion risks linked to animal feed (e.g. soybean) for our dairy activities. We work together with dairy farmers and feed producers on traceability to low-risk origin, verified deforestation and conversion free origins, and stimulating growth of local protein crops (e.g. rapeseed or soy).

Looking ahead, we aim to restore and regenerate ecosystems in collaboration with value chain partners. As stated in our [Danone Sustainable Sourcing Policy](#), we engage business partners in our supply chain to drive “no deforestation” and “no land conversion” commitments and actions beyond our operations. We facilitate discussions with suppliers to align their commitment with ours through coalitions, projects, and technical assistance.

As an example, Danone is running a bi-annual traceability data collection engaging with all its direct suppliers for materials in scope of Forest policy. We are supported by external partners such as 3keel (commodity consultancy) and Earthworm Foundation (NGO partner). The purpose is to assess supplier performance in delivering traceable and verified DCF commodities, obtain traceable information to determine the closest, or actual (where possible) location of commodity production, identify suppliers not compliant with Danone’s policy and work with them to achieve transparent verified DCF supply chains. To do so, we initiated in 2023 with the help of external partners, the implementation of satellite monitoring of our supply chains to ensure that production units and sourced crops are not linked to deforestation. This will be further deployed to reinforce traceability for commodities upstream supply chain.

From a human rights lens, we are focusing on land rights of communities and Indigenous Peoples within our Sustainable Sourcing Policy. This includes mandatory requirements and management systems that apply to suppliers who participate in the acquisition, leasing or disposal of land and/or when sourcing land use is being changed, which can affect the rights of individuals or communities.

### **Climate change**

*Climate change is a major driver of biodiversity loss, altering habitats, shifting species distributions, and disrupting ecosystems through rising temperatures and extreme weather. These changes*

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<sup>15</sup> In scope commodities include paper & board, palm, soy, and cocoa.

*impact ecosystem services like pollination and carbon storage, creating a feedback loop that accelerates climate impacts and endangers global ecological balance. By reducing greenhouse gas emissions, Danone helps mitigate climate change impacts on biodiversity.*

Our climate action, outlined in our [Danone Climate Transition Plan](#)<sup>16</sup>, is closely linked with our biodiversity efforts:

- In 2022, Danone committed to science-based targets aligned with the 1.5°C trajectory. Both its 2030 near-term targets and 2050 Net-Zero target have been validated by the Science-Based Targets initiative and Danone reports annually on the progress in its Universal Registration Document. Danone was among the first companies to have its 1.5°C target approved for Forest, Land, and Agriculture (FLAG). Eight strategic decarbonization programs address our GHG emissions across the value chain: direct operations, milk, ingredients, packaging, logistics, co-manufacturing, supplier engagement, low carbon by design and portfolio management. These include regenerative agriculture and no deforestation programs. Additionally, Danone is committed to reducing the use of plastic packaging, improving the circularity of plastics that cannot be eliminated to date, and recovering what is not kept in circulation. We collaborate through industry alliances, with civil society and governments to develop effective systems to collect, reuse and recycle packaging. Since 2022, we have been part of the Business Coalition for a Global Plastics Treaty, led by the Ellen MacArthur Foundation (EMF) and the World Wildlife Fund (WWF), advocating for a binding global UN Treaty on Plastics. This commitment, to driving the transition to a circular and low carbon packaging system, supports our biodiversity goals by reducing plastic waste in nature and protecting natural habitats.
- Methane accounts for nearly 25% of our GHG footprint and represents the most effective near-term solution to address climate change. In 2023, Danone was the first company to take the commitment to reduce methane emissions from fresh milk production by 30% by 2030 (compared to a 2020 baseline), aligning with the Global Methane Pledge. We partnered with the Environmental Defense Fund to co-create the Dairy Methane Action Alliance to accelerate these efforts across the industry. This same year we also joined forces with the Global Methane Hub to accelerate innovation in methane reduction by creating new scalable solution for dairy farmers to reduce methane emissions<sup>17</sup>. We already achieved a reduction of 13.3% of methane emissions from fresh milk.

Additionally, we will also explore innovative and disruptive solutions together with farmers, suppliers, peers, and technical or scientific partners, to evaluate and develop new sourcing models and strategic investments in lower-carbon ingredients. By doing so, we scan opportunities to continuously improve the compatibility of our portfolio with planetary boundaries, from exploring, hybrid protein sources, to more disruptive levers such as low-carbon by-design products. For more information, refer to [Danone Climate Transition Plan 2023](#).

### **Ecosystem intactness**

*Ecosystem intactness<sup>18</sup> refers both to species' integrity and ecosystem's functionality specifically to invasive species considered as one of the global biodiversity loss drivers. By supporting*

<sup>16</sup> [danone-climate-transition-plan-2023.pdf](#)

<sup>17</sup> For more information, refer to the press release: [pr-danone-global-methane-hub.pdf](#)

<sup>18</sup> Metabolic – derived from SBTN prioritization methodology,

*preservation and restoration of freshwater and terrestrial ecosystems through landscape approach, Danone contributes to mitigate invasive species impact on biodiversity.*

Ecosystem intactness is a cross-functional topic that ties into all the previously mentioned action areas. Danone addresses it through commitments and actions happening at local level: regenerative agriculture, water stewardship, verified deforestation and conversion free commitments as well as sustainable sourcing.

Addressing ecosystem health includes nature-based solutions<sup>19</sup>, such as preserving wetlands, peatlands and forests, implementing agroforestry designs, practicing regenerative agriculture at a landscape scale, as well as reintroducing wild areas and natural habitats to degraded areas. Danone has started its journey towards ecosystems preservation and restoration, targeting freshwater ecosystems surrounding its operations and land regeneration activities in its sourcing areas.

For over 25 years, Danone has partnered with the United Nations Wetlands Ramsar Convention, demonstrating our long-standing commitment to preserving freshwater vital ecosystems and promoting sustainable wetland management worldwide. We collaborate to:

1. **Raise awareness** about wetlands through communication and advocacy, with sites like Evian impluvium<sup>20</sup> in France and Reserve Natural Villavicencio in Argentina<sup>21</sup> designated as RAMSAR sites in 2008 and 2017.
2. **Accelerate best practices** for wetlands conservation, preservation and restoration, included as one of the [Annual Ramsar Wetland Conservation Awards](#), Danone initiated the Evian Special prize to grant an initiative that promotes wetland conservation. In 2008, Danone, United Nations Wetlands Ramsar Convention, and the Union for the Conservation of Nature (IUCN) created the Danone Fund for Nature with the following objectives: restoring degraded ecosystems, redeveloping local economies, and combating climate change.
3. **Facilitate scientific knowledge dissemination and upskilling** on wetlands through the development of a training with the Convention on Wetlands and WWF in 2022 called “Bankable Nature Solutions Academy- unlocking the Private Sector potential for preservation and biodiversity”, and the improvement of SPRING tool dedicated to water resources management.

Beyond the no deforestation, conversion, and land degradation ambition described in the land-use section above, our goal is to join and initiate landscape projects that protect and restore vital land ecosystems while strengthening livelihoods and communities.

Danone is already supporting positive impact projects such as the Siak Pelalawan Landscape Program (SPLP), launched in 2018. This private sector-driven initiative aims to achieve sustainable palm oil production in the Siak and Pelalawan districts of Riau, Indonesia. With more than 200 villages, the districts spread over two million hectares. In 2025, we will assess other landscape projects opportunities.

<sup>19</sup> actions to protect, sustainably manage and restore natural and modified ecosystems in ways that address societal challenges effectively and adaptively, to provide both human well-being and biodiversity benefits IUCN, 2016

<sup>20</sup> Impluvium Evian Ramsar Sites Information: [Impluvium d'Evian | Ramsar Sites Information Service](#)

<sup>21</sup> Reserve Natural Villavicencio Ramsar Sites Information: [Reserva Natural Villavicencio | Ramsar Sites Information Service](#)



We monitor biodiversity metrics to improve ecosystems and species health, following the [Nature Positive Initiative](#) guidance. This helps establishing baselines for ecosystem intactness at our most material locations and point of actions. We continue to work with our partners, notably as part of Danone's Sustainable Sourcing Policy, to act collectively on this challenge and amplify our impact.

## PILOTING NATURE INITIATIVES ACROSS OUR CATEGORIES AND COUNTRIES

We are piloting nature initiatives across our categories and countries. Danone is exploring science-based frameworks, tools, and guidance to support our nature journey. For instance:

- Alpro, Danone's plant-based brand in Europe, joined the Science-Based Target Network (SBTN) pilot to ensure its efforts to protect nature were in line with international agreements and science. Piloting SBTN, Alpro's mission tested the first three steps of the methodology and provided feedback to the SBTN network, to co-build the framework and set precedents for global businesses<sup>22</sup>. This experience inspired Danone to follow the SBTN framework for Steps 1 and 2 and run a double materiality assessment on nature.
- Our French dairy organic and fairtrade subsidiary, Les Prés Rient Bio, has implemented the LIFTS Accounting Model, a multi-capital accounting system that integrates planetary boundaries and social foundations into their Profit and Loss and balance sheet statements<sup>23</sup>.
- We are partnering with universities – for example, we are supporting a thesis directed by Ecole Nationale d'Agriculture de Meknes, on the potential for reusing treated wastewater for irrigation purposes on agricultural plots near our factory in Morocco. The focus of this work, from 2024 to 2026, is on soil integrity, the environmental impact on the stream with reduced discharge from the wastewater treatment plant, and crop yield (growth, protein) of forage and arboriculture. The outcomes will allow potentially to scale this solution of reuse of wastewater as a second life or substitution, to preserve groundwater.

## UNITING FORCES AND RESOURCES TO BEND THE CURVE OF BIODIVERSITY LOSS

Nature is a shared asset benefiting everyone- farmers, companies, ecosystems, individuals, and society. COP16 Biodiversity highlighted the need for \$200 billion annually to support biodiversity efforts and close the financing gap. Farmers and communities, who depend on these ecosystems, face challenges in finding resources to protect and restore them. Danone relying on these ecosystems and is therefore affected.

To preserve and restore ecosystems like grasslands, forests, and wetlands, we need holistic practices such as regenerative agriculture and nature-based solutions. These practices offer wide-ranging benefits, including flood mitigation, zoonosis prevention, and mental and physical health improvements. However, these practices require significant financing. As acknowledged by world

<sup>22</sup> For more information on the pilot, [SBTN Pilot: Alpro – Science Based Targets Network](#)

<sup>23</sup> For more information on this pilot : [Danone et la comptabilité multi-capitales : retour d'expérience \(pwc.fr\)](#)

leaders, the scope of the solutions is beyond the capacity of any single company or government. Co-financing, which attracts both public and private resources, is essential to achieve the global ambition of halting and reversing nature loss by 2030.

Danone has a strong history of building collaborative efforts to increase the scale of potential impact. For more than fifteen years, Danone has initiated and deployed three co-financing initiatives to catalyze actions that restore nature. Firstly, [Danone Communities](#) created in 2007, supporting market-based solutions for local communities of access of safe drinking water and nutritious food. Then, [Danone Ecosystem](#) was created in 2009 to support innovative projects with local partners to address social and environmental challenges, and ultimately strengthening local ecosystems. In 2011, Danone together with other investors created the Livelihoods Carbon Fund to support sustainable development projects that restore ecosystems, improve food security, and enhance the livelihoods of rural communities. Since then, two additional compartments were created to accelerate the efforts in fighting climate change, restoring nature, and protecting vulnerable people. More recently, we joined the [100+ Accelerator](#) to leverage cutting-edge technologies and support achieving the United Nations Sustainable Development Goals.

Moving forward, we will continue to collaborate with civil society and businesses to build new initiatives. These initiatives should leverage multiple financial resources to amplify the scale of our impact.

## ADVOCATING IN SUPPORT OF GLOBAL BIODIVERSITY EFFORTS

We believe that individual actions matter, however collective efforts are essential for making an impact at scale. By joining forces, we can amplify our actions and drive lasting change for both people and the planet.

We engage with a diverse range of stakeholders- public authorities, NGOs, affected communities, and key opinion leaders- aligning our initiatives with the latest scientific insights and building collaborative approaches that can optimize available financial resources.

**We advocate for public policies supporting biodiversity preservation** at local, regional, and international governmental levels. For example, as part of the [Business for Nature statement](#) launched in October 2024, Danone, along with 130 businesses and financial institutions, calls for renewed policy ambition to implement the Global Biodiversity Framework. This plan is an agreement adopted by 196 governments to boost conservation and restore ecosystems by 2030, and halt and reverse nature loss this decade.

**Our active contribution to international forums**, such as in the United Nations Biodiversity Conference (COP16 in Cali) underscores our dedication to preserving and enhancing biodiversity worldwide. Through these collective efforts, we aim to create a more sustainable future where biodiversity thrives, and agricultural practices are regenerative and resilient.

**Partnering with non-governmental organizations (NGOs)** is also important to foster sustainability commitments and actions. We collaborate with organizations like The Nature Conservancy and BSR which bring expertise and a deep understanding of social and environmental challenges. By leveraging NGO's knowledge and networks, our partnerships not only drive meaningful progress toward sustainability goals but also reinforces Danone's commitment to creating long-term value for both society and the planet.

**We participate in global coalitions**, such as One Planet Business for Biodiversity (OP2B), the Sustainable Agriculture Initiative Platform (SAI), and the CEO-Water Mandate uniting business sectors with diverse stakeholders to drive impactful change and promote best practices across industries. We are also part of the Consumer Goods Forum – Forest Positive Coalition<sup>24</sup>. Danone is actively involved in the Future Fit Dairy Initiative (FFDI), alongside Arla Foods, Dsm-Firmenich, Friesland Campina, and Rabobank. FFDI is a collaborative effort aimed at promoting regenerative agriculture within the dairy industry and ensuring that dairy farming practices are both environmentally sustainable and economically viable. This involves improving soil health, enhancing biodiversity, and managing water resources more effectively. The initiative also tracks key indicators such as soil health and greenhouse gas emissions to measure progress and guide farmers towards more sustainable practices. In 2024, Danone embraced the **One Water Summit Pledge** and commits to accelerating action on water footprint and impact towards the sustainable use of water in the global economy, recognizing that water is a multidisciplinary and multistakeholder topic linked to all aspects of climate change, biodiversity, and pollution.

## ENSURING AN EFFECTIVE NATURE GOVERNANCE

Embedding biodiversity in the day-to-day governance is crucial for achieving our goals effectively. Our governance framework empowers key functions to take responsibility for biodiversity actions within their expertise, ensuring alignment towards shared objectives.

Our sustainability strategy, the Danone Impact Journey, including nature and biodiversity topics, is overseen by Danone’s Chief Sustainability and Business Development Officer and Danone’s Chief Operations Officers, two members of the Executive Committee. Progress on the Nature pillar of the Danone Impact Journey is regularly reviewed by governance bodies, including the CSR Committee of the Board of Directors and Danone’s Engagement and Impact Committees.

The Nature pillar of the Danone Impact Journey is integrated at all levels—global, regional, and local—ensuring it is reflected throughout the company. At corporate level, the Sustainability team is responsible for designing, coordinating and monitoring, with functions and categories, the environmental strategy, roadmaps, and action plans. The Cycles and Procurement team is leading the programs, supplier engagement and manages the tracking of key performance indicators.

Our regions and subsidiaries implement regenerative agriculture, water stewardship, and sustainable sourcing programs, applying operational action plans on the ground.

Danone has been recognized for its leadership in corporate transparency and performance in climate change, forests, and water security by CDP, achieving, in 2023, a triple ‘A’ score for the fifth consecutive year. More recently Danone has also submitted the biodiversity and plastic CDP modules, even though they are not yet scored.

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<sup>24</sup> [https://www.theconsumergoodsforum.com/press\\_releases/coalition-of-consumer-goods-companies-pushes-for-corporate-investment-in-production-landscapes-in-latest-report](https://www.theconsumergoodsforum.com/press_releases/coalition-of-consumer-goods-companies-pushes-for-corporate-investment-in-production-landscapes-in-latest-report)



## CONCLUSION

As part of our mission, we are committed to progress and lead health through food for consumers and patients, preserve and regenerate nature, and foster thriving people and communities. One of our key ambitions is to preserve, conserve, and restore biodiversity within our activities. Our progress, achieved through collaboration with our partners, reflects our commitments. We remain dedicated to meeting our goals, achieving impactful results, continuously learning, and improving, and working closely with our local teams and partners.

Currently, we have developed action plans based on our strategy. These plans establish robust foundations and enable us to monitor and publish our progress annually in key areas. Looking ahead to 2030, we aim to deliver significant nature outcomes in biodiversity and land conservation including regenerative agriculture, water, soil health, and climate. Recognizing that nature cycles take time, we are intensifying our efforts to accelerate collective action.

We strongly believe that co-financing is essential to support the transition towards more resilient landscapes, ecosystems, and biodiversity. Our biodiversity strategy is a continuous and evolving journey. We are committed to regularly review and refine our approach to integrate the latest international standards and scientific advancements in biodiversity.

## GLOSSARY

- **Biodiversity** – The variability among living organisms from all sources including, inter alia, terrestrial, marine, and other aquatic ecosystems and the ecological complexes of which they are part. This includes diversity within species, between species and of ecosystems.<sup>25</sup>
- **Ecosystem intactness** refers to the integrity and functionality of terrestrial ecosystems.<sup>26</sup>
- **Ecosystem services** are defined as the benefits people obtain from ecosystems<sup>27</sup>
- **Indigenous Peoples and Local Communities (IPLCs)**: typically, ethnic groups who are descended from and identify with the original inhabitants of a given region, in contrast to groups that have settled, occupied, or colonized the area more recently<sup>28</sup>.
- **Land-use** is defined as land occupation, land conversion and degradation.<sup>29</sup>
- **Nature** – The natural world, emphasizing the diversity of living organisms, including people, and their interactions with each other and their environment<sup>30</sup>
- **Nature-based solutions** – actions to protect, sustainably manage and restore natural and modified ecosystems in ways that address societal challenges effectively and adaptively, to provide both human well-being and biodiversity benefits - IUCN<sup>31</sup>, 2016.
- **Nature positive**: a global goal to halt and reverse nature loss by 2030 on a 2020 baseline, and achieve full recovery by 2050, so that nature – species and ecosystems – is being restored and regenerated rather than declining. It refers to outcomes which are net positive for biodiversity, directly and measurably increasing in the health, abundance, diversity and resilience of species, ecosystems, and processes. For biodiversity, the global goal is to reverse biodiversity loss by 2030; expressed as nature positive by 2030. The ambition was codified in the mission of the Kunming-Montreal Global Biodiversity Framework, adopted by the 196 countries party to the UN Convention on Biological Diversity in December 2022<sup>32</sup>.
- **Regenerative agriculture** – an outcome-based farming approach that protects and improves soil health, biodiversity, climate, and water resources while supporting farming business development - SAI<sup>33</sup>
- **Science-Based Target Network (SBTN)**: the Science Based Targets Network, a global alliance of non-governmental organizations and mission-driven organizations, aiming to set the one standard for companies to act on nature across freshwater, land, ocean, biodiversity, and climate.
- **Soil pollution** relates to the soil acidification, specifically nitrogen exceedance often caused by the use of fertilizer.<sup>7</sup>
- **Stakeholders**: persons or groups who have interests that are or could be impacted by an enterprise’s activities.<sup>34</sup>

<sup>25</sup> Convention on Biological Diversity (1992) [Convention on Biological Diversity, Article 2 Use of Terms](#)

<sup>26</sup> Metabolic – derived from SBTN prioritization methodology,

<sup>27</sup> refer the [Millenium Ecosystem Assessment](#)

<sup>28</sup> [Indigenous Peoples and local communities | IPBES secretariat](#)

<sup>29</sup> SBTN technical guidance [Overview – Science Based Targets Network](#)

<sup>30</sup> Díaz, S. et al. (2015) [The IPBES Conceptual Framework – connecting nature and people](#)

<sup>31</sup> IUCN Report on [Nature-based Solutions: From Concept Definition to Global Standard](#)

<sup>32</sup> [Nature Positive - A Global Goal for Nature](#)

<sup>33</sup> Sustainable Agriculture Initiative

<sup>34</sup> Derived from OECD Due Diligence Guide for Responsible Business Conduct, SBTN Stakeholder Engagement Guide

- **Taskforce on Nature-related Financial Disclosures (TNFD):** a risk and disclosure structure that provides guidance for companies to help them identify their nature-related risks, dependencies, and impacts.
- **Water pollution** includes marine and freshwater eutrophication measured by the concentration of nitrogen and phosphorus in water (definition focused on the materiality for the food and beverage sector).<sup>7</sup>
- **Water stewardship** refers to the use and protection of water resources in ways that are socially equitable, and economically beneficial, and environmentally sustainable, not just for the water resource but for the broader natural ecosystem.<sup>35</sup>
- **Water use** relates to the consumption of water.<sup>7</sup>

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<sup>35</sup> [Water cycle | Definition, Steps, Diagram, & Facts | Britannica](#)