



The **DANNON PLEDGE**
*on sustainable agriculture,
naturalness and transparency*





www.DannonPledge.com

YOU ARE OUR MAIN INGREDIENT.

What's important to you drives what we do. So we're launching a multi-year plan to change how we make our yogurt to give you more choices about your food.



We're now offering products with non-GMO ingredients* — with more to come.

From the fruit on the bottom to the granola on top, we're committing to getting rid of GMOs in our flagship brands. We're also working with our farmer partners to remove GMOs from their cows' feed. It'll all happen over time, but the work has already begun. The first Dannon products with non-GMO ingredients* are available as of July 2016. By the end of 2017, all products from the Dannon brand family will contain non-GMO ingredients* and will be made with milk from cows fed non-GMO feed. Products from the Oikos and Danimals brand families will follow by the end of 2018.



If it still has GMO ingredients, we will soon let you know.

Whatever your stance on GMOs, we think you have the right to know if they're included. And then you can make your own choices. We're going to label if there are GMO ingredients in our products nationally by the end of 2016.



We're using fewer and more-natural ingredients.

For our flagship products, we're starting to use ingredients, such as sugars and starches, that are more natural, non-synthetic and non-GMO. Our plan is to have the new ingredients in the cup by the end of 2017 for Dannon branded products, and the end of 2018 for Oikos and Danimals branded products. We wanted to start big. Together, these three brands represent about half of our US sales volume.



We're getting our milk directly from farms we know.

When we get our milk straight from our farmer partners, we can know exactly how they operate. We know that as certified responsible producers they treat their cows well and we know what they're feeding them. And we can work together with them on environmental issues like soil health, water usage, biodiversity and carbon.

*Find out more information at www.dannon.com/ingredients



www.DannonPledge.com

DANNON'S MISSION *is to bring health through food to as many people as possible. Our ambition is to foster healthier eating practices that are reflective of local cultures and agricultural systems, in balance with nature's ecosystem and that can be maintained for generations to come.*



WE HAVE ALWAYS BELIEVED...

...and still do that the way we make food must incorporate social, environmental and economic priorities into a single approach guided by a compass with one point for each of four priorities:



Because our operations are part of a larger ecosystem that includes our company, our customers, our suppliers and farmer partners, as well as institutions and the broader community wherever we do business, we owe a large measure of our success and competitive edge to the health of this ecosystem and the quality of the relationships among its members. While the current agricultural systems in the US rely almost exclusively on economies of scale and short-term efficiencies, we are striving for a better approach for the supply of our products so key issues like farmers' independence, natural biodiversity, soil health and carbon sequestration, water usage and fossil energy efficiency are better addressed. We are committed

to using novel ways of working that allow us to be better stewards of our environment and the food we produce. We will continue to monitor and study the evolution of best practices in sustainable agriculture.

Additionally, we are continuing to adapt our sourcing to enable us to fulfill the growing consumer interest for greater transparency and simplicity about food, its origin and the use of fewer and more natural ingredients.

Today, we are expanding the options available to our consumers by evolving toward more natural ingredients for several flagship brands in our portfolio. Our ambition is to evolve the remaining brands in our portfolio over time.

¹ Danone White Paper. *Our Food Chain Vision*. 2015.

WE PLEDGE

Sustainable agriculture

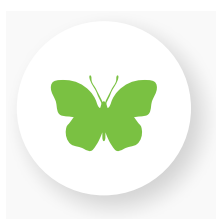
Focusing specifically on our commitment to preserve the environment, we believe that sustainable agriculture must constantly strive to conserve natural resources and maintain the delicate balance in the ecosystems and natural cycles on which it depends. Our key priorities include:



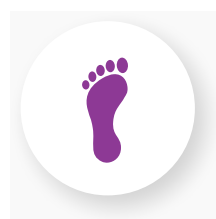
Soil



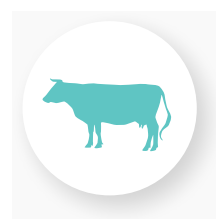
Water



Biodiversity



Carbon and
energy

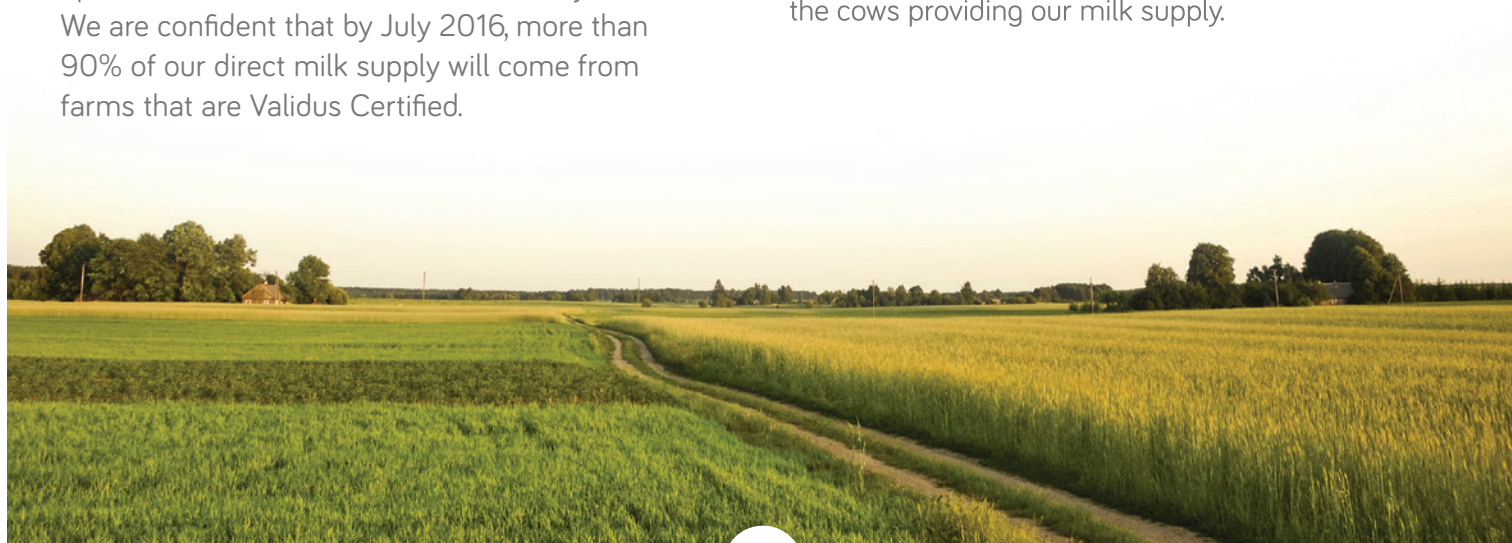


Animal
welfare

To gain greater transparency about our main ingredient, we now source all the milk we use directly from farms we know, becoming the first of the leading yogurt makers to embrace this practice. Consequently this can provide greater visibility to our consumers about the agricultural practices employed on the dairy farms.

We are already very far along in implementing animal welfare practices at our farmer partners' operations via the Validus Certification system. We are confident that by July 2016, more than 90% of our direct milk supply will come from farms that are Validus Certified.

This innovative and transparent way of sourcing our milk and these close partnerships with our farmer partners enable us to move toward new sustainable agricultural ambitions. For our entire product offering, we have started and will continue to work with our farmer partners to improve biodiversity, soil health and water usage and quality by encouraging such practices as rotating crops, managing fertilizer, pesticide and herbicide application, etc, in the production of feed for the cows providing our milk supply.



WE PLEDGE

Sustainable agriculture | CONTINUED

As part of our climate policy, we are also focused on the role that soil can play in fixing carbon. Specifically, according to the US Department of Agriculture:² “[T]here is a major potential for increasing soil carbon through restoration of degraded soils and widespread adoption of soil conservation practices.”

To improve sustainable agricultural practices and protect biodiversity, we will work with our farmer partners to reach for better soil health, water quality and quantity, an increase in biodiversity and decrease in carbon emission and energy use.

We will progressively reduce the use of practices and technology that lead to soil degradation, some of which may have been linked to the extensive use of monocropping and an extensive reliance on the use of GMO crops at the expense of integrated agricultural management of the land.



² More specifically as to soils, the US Department of Agriculture answers the question, “What is soil carbon sequestration?” “Atmospheric concentrations of carbon dioxide can be lowered either by reducing emissions or by taking carbon dioxide out of the atmosphere and storing in terrestrial, oceanic, or freshwater aquatic ecosystems. A sink is defined as a process or an activity that removes greenhouse gas from the atmosphere. The long-term conversion of grassland and forestland to cropland (and grazing lands) has resulted in historic losses of soil carbon worldwide but there is a major potential for increasing soil carbon through restoration of degraded soils and widespread adoption of soil conservation practices.”



www.DannonPledge.com

WE PLEDGE

Naturality

To provide consumers a choice of more natural products, we are evolving all products from our three flagship brands Dannon, Oikos and Danimals toward the use of fewer ingredients that are more natural, not synthetic and non-GMO.

This change will enable consumers to make everyday choices for themselves, their family and children consistent with their wish for pleasurable, natural and sustainable eating options, choosing which agricultural and environmental model they favor through their everyday choice of consumption and usage.

These flagship products represent approximately 50% of our volume today, and have been chosen based on the broadest family appeal, including children.

For these products we will produce using ingredients, such as sugar and starch, that are more natural, not synthetic and non-GMO starting in July 2016.

Because most cow feed in the US is genetically modified today, we are also working with feed suppliers and our farmer partners to start planting non-GMO feed as soon as possible to fulfill our needs. Once these changes are implemented, these products from the three brand families will contain milk from cows provided non-GMO feed.

We will have completed the full evolution of the ingredients and the conversion of cow feed for these flagship products according to the following timing:



Within 2017



Within 2018

Our goal is to achieve third-party certification of these flagship products.





To achieve this goal we are working with our dairy farmer and cooperative partners, their feed suppliers and other ingredient suppliers as well as academic partners to collectively help guide our actions to improve sustainable agricultural practices.

WE PLEDGE

Transparency

To further provide transparency about all our products, we commit to declare by December 2017, nationwide, on label the presence of GMO ingredients in our products, regardless of whatever actions are taken by the federal government.

In the meantime, if one state implements a GMO labeling requirement, since we favor a nationwide labeling system, we will label the presence of GMOs nationwide according to the state requirements.



Dannon is a subsidiary of Danone, and Danone is the top-selling brand of yogurt worldwide, sold under the names Dannon and Danone. For more information, visit dannon.com