Food & Beverage Benchmark
COMPANY SCORECARD 2023

Danone

TICKER	**MARKET CAPITALIZATION**	**HEADQUARTERS**
BN	US$39.38 billion	France

DISCLOSURES

UK Modern Slavery Act: Yes

California Transparency in Supply Chains Act: Yes (Disclosure of Subsidiary)

Australia Modern Slavery Act: Yes (Disclosure of Subsidiary)

OVERALL RANKING

17 out of 60

2020 Rank: 11 out of 43

OVERALL SCORE

22 out of 100

THEME-LEVEL SCORES

Theme	Company score	Industry average
Commitment & Governance	67	37
Traceability & Risk Assessment	22	18
Purchasing Practices	0	2
Recruitment	8	13
Worker Voice	15	9
Monitoring	10	12
Remedy	10	6

■ Company score ■ Industry average
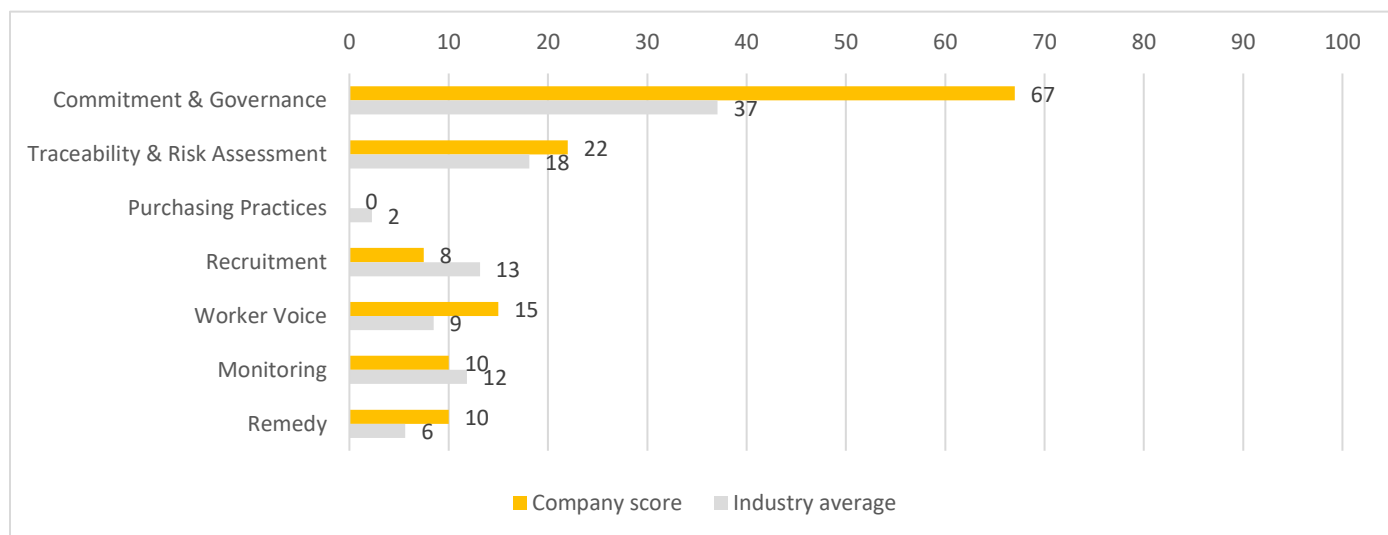
KEY DATA POINTS

FIRST-TIER SUPPLIER LIST
⚑ No

RISK ASSESSMENT
Yes (Limited)

ENGAGED WITH KNOWTHECHAIN[1]
Yes

NO-FEE POLICY
Yes (Employer Pays Principle)

REMEDY FOR SUPPLY CHAIN WORKERS
⚑ No

HIGH-RISK COMMODITIES[2]
⚑ Dairy, palm oil, cocoa and others

KNOWTHE**CHAIN**

SUMMARY

Danone, a French producer of dairy, cereal, baby food, and medical nutrition products and top producer of fresh dairy products globally, ranks 17 out of 60 companies. Since 2020, the company improved by disclosing additional information about its remedy process. However, the company did not improve across other themes. As such, the company's rank has dropped by 6 places. The company's score is based on its stronger performance on the themes of Commitment & Governance and Worker Voice. Notably, the company is among the highest scoring companies from continental Europe in the benchmark. The company has an opportunity to improve its performance and disclosure on the themes of Purchasing Practices, Recruitment, Monitoring, and Remedy.

LEADING PRACTICES

Training relevant employees: Danone discloses providing an e-learning training, which covers forced labour topics, to its Procurement, Human Resources, and General Secretary functions. It discloses the number of employees trained, forced-labour-related topics covered, which include recognizing and mitigating risks.

OPPORTUNITIES FOR IMPROVEMENT

Purchasing Practices: To address forced labour risks in its supply chains, the company is encouraged to adopt purchasing practices that decrease the risk of forced labour, such as improving planning and forecasting and prompt payment. The company may further consider ring-fencing labour costs such that they are not impacted during pricing negotiations. The company should consider integrating responsible buying practices in its contracts with suppliers, to ensure that the responsibility for respecting human rights is shared.

Monitoring: The company may consider disclosing further detail on its supplier monitoring process to verify that its suppliers are compliant with its supply chain policies. In particular using worker-driven monitoring (i.e., monitoring undertaken by independent organisations that includes worker participation and is guided by workers' rights and priorities), may help the company detect forced labour risks in its supply chains. Disclosing information on the results of its monitoring efforts, such as the percentage of suppliers assessed annually and a summary of findings, assures stakeholders that the company has strong monitoring processes in place.

Remedy: The company may consider disclosing more details on its process for addressing grievances, such timeframes, approval procedures, and, crucially, engagement with affected stakeholders. To demonstrate to its stakeholders that it has an effective remedy process in place, the company is encouraged to disclose examples of remedy provided to its suppliers' workers.

[1] Research conducted through January 2023 or through April 2023, where companies provided additional disclosure or links. For more information, see the full dataset here. For information on a company's positive and negative human rights impact, see the Business & Human Rights Resource Centre website.

[2] For further details on high-risk raw materials and sourcing countries, see KnowTheChain's 2023 food & beverage benchmark findings report.