



Press release – Paris, July 16, 2020

**Danone invests €100 million
to strengthen Specialized Nutrition in China,
further serving Chinese health needs while becoming
the biggest B Corp™ company in Asia**

Danone today announces a series of investments to strengthen the local market capabilities, support and commitment of its Specialized Nutrition business in China. These investments will enable uniquely the company to broaden and deepen its range of nutritional products and services that are tailored to Chinese health needs, traditions and tastes.

Totalling around 100 million euros (RMB 790 million), these investments include the opening of an open-science research center based in Shanghai, the acquisition of local infant milk formula capabilities, and the expansion of capacity to further develop offerings in FSMP (Food for Special Medical Purposes), meaning food for people whose nutritional requirements cannot be met by normal foods.

In full coherence with its One Planet. One health frame of action, Danone also announces that its Early Life Nutrition business unit in the country has achieved B Corp™ certification. This means that Danone becomes the biggest B Corp™ in Asia, which fully embodies the reality of its commitment towards the well-being of local populations and the preservation of local environment. It represents also an important step towards Danone's accelerated ambition to become B Corp™ certified by 2025.

Véronique Penchienati-Bosetta, Executive Vice President, Specialized Nutrition said:

“For some thirty years Danone has been serving the needs of people in China, for both early life nutrition and nutrition for those ill or aged. The opening of the Open Science Research Center, the acquisition of local manufacturing capabilities and the B Corp™ certification are key milestones for Danone's presence in China as they will allow us to further invest responsibly in the promotion of healthy and balanced diets, grounded in scientific research and tailored to Chinese nutritional and health needs, habits, and traditions. This investment further demonstrates Danone's belief in the long-term growth potential of the Infant Milk Formula and medical nutrition market in China and in the power of nutrition to positively impact health trajectories.”

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€100 million investment to strengthen local capabilities of Specialized Nutrition in China

- Located in Shanghai, the new *Danone Open Science Research Center for Life-Transforming Nutrition* will serve as Danone's platform to conduct studies and research in the region, notably focusing on breast milk and gut health. It will enable Danone to develop more relevant nutrition products and services, building on local knowledge and science, and contributing to the country's 'Healthy China 2030' agenda. Fulfilling its role as an "open" science center for collaboration, this facility will bring together public sector, medical and academic institutions, business partners and consumers, and will combine the skills of over 100 researchers in the fields of nutrition and consumer science, quality and food safety, and digital innovation.
- The investment also includes the acquisition of Murray Goulburn Dairy (Qingdao) Co Ltd from Saputo Dairy Australia. This brings with it a registered infant milk formula brand and a facility located in Qingdao. Completed in June 2020, the transaction means Danone now has its first production facility for infant milk formula in China.
- In addition, the investment will also benefit the company's advanced medical nutrition facility in Wuxi, Jiangsu province. It will enable it to develop protein-based liquid nutritional supplement solutions and expand further its Food for Special Medical Purpose offerings to nutritionally support healthy ageing and facilitate recovery of patients who are ill.

Investing further in local capacities and acting as a B Corp locally with strong societal commitments, Danone reaffirms its support to the Chinese national priorities "Healthy China 2030" and its aim to serve the health of the Chinese population at every stage of life.

- **[For more information about the Open Science Research Center in Shanghai, please click here](#)**

About Danone (www.danone.com)

Danone is a leading multi-local food and beverage company building on health-focused and fast-growing categories in 3 businesses: Essential Dairy & Plant-Based products, Waters and Specialized Nutrition. With its 'One Planet. One Health' frame of action, which considers the health of people and the planet as intimately interconnected, Danone aims to inspire healthier and more sustainable eating and drinking practices. To accelerate this food revolution and create superior, sustainable, profitable value for all its stakeholders, Danone has defined nine 2030 Goals, and paved the way as the first listed company to adopt the "Entreprise à Mission" status in France. With a purpose to bring health through food to as many people as possible, and corresponding social, societal and environmental objectives set out in its articles of association, Danone commits to operating in an efficient, responsible and inclusive manner, in line with the Sustainable Development Goals (SDGs) of the United Nations. By 2025, Danone aims to become one of the first multinational companies to obtain B Corp™ certification. With more than 100,000 employees, and products sold in over 120 markets, Danone generated €25.3 billion in sales in 2019. Danone's portfolio includes leading

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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, Horizon Organic, Mizone, Oikos, Prostokvashino, Silk, Vega). 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 Vigeo Eiris and Sustainalytics, as well as the Ethibel Sustainability Index, the MSCI ESG Indexes, the FTSE4Good Index Series, Bloomberg Gender Equality Index, and the Access to Nutrition Index.

About B Lab™ and B Corporations™

B Lab™ is a nonprofit that serves a global movement of people using business as a force for good. B Lab™'s initiatives include B Corp™ Certification; administration of the B Impact Assessment, SDG Action Manager, and B Analytics; and the creation and advocacy for corporate governance structures that prioritize stakeholder value over shareholder profit.

Certified B Corporations are for-profit companies that use the power of business to build a more inclusive and sustainable economy. They meet the highest verified standards of social and environmental performance, transparency, and accountability. To date, there are over 3,000 Certified B Corps™ in 150 industries and 70 countries, and over 70,000 companies use the B Impact Assessment.