



Press Release – Paris, January 17<sup>th</sup>, 2023

## Danone announces an ambitious plan to reduce its methane emissions

- **Danone targets a 30% absolute reduction in methane emissions from fresh milk used in its dairy products, the first food company to align targets with the Global Methane Pledge**
- **To accelerate its efforts, Danone launches a new partnership with Environmental Defense Fund**

Danone, a leading food company and one of the world's largest dairy companies, announces today a global action plan to reduce absolute methane emissions from its fresh milk supply chain by 30% by 2030<sup>1</sup>. Danone expects to remove 1.2 million tons carbon dioxide equivalent of methane emissions by 2030. This ambitious plan builds on the progress Danone has been making in recent years, already reducing its methane emissions by c. 14% between 2018 to 2020.

A reduction in methane emissions will have immediate benefits for the climate that reductions in carbon dioxide cannot achieve on their own, according to the IPCC<sup>2</sup>. Dairy production from cattle makes up an estimated 8% of total human-caused methane emissions, as part of agriculture and livestock activities which represent approximately 40% of global methane emissions.

As a leader of the dairy category, Danone is determined to play its role to reduce methane emissions, focusing on:

- working with farmers to implement regenerative dairy practices and develop innovative solutions;
- collaborating and partnering with peers, governments and Environmental Defense Fund to scale innovation, reporting and advance financing models;
- advocating and engaging with governments to improve methane policies, data and reporting as well as funding for research and to support farmers transitioning to regenerative dairy practices.

With today's announcement, Danone is the first food company to set a methane reduction target and align with the ambition of the Global Methane Pledge launched at COP26. The company will report on its methane emissions, as part of its extra financial disclosure.

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<sup>1</sup> 2020 baseline

<sup>2</sup> [The evidence is clear: the time for action is now. We can halve emissions by 2030.](#) — IPCC. The Intergovernmental Panel on Climate Change (IPCC) is the United Nations body for assessing the science related to climate change

**Antoine de Saint-Affrique, Chief Executive Officer of Danone, said:**

*« Dairy products are an affordable source of nutrition for many people, at the core of our mission to bring health through food. As one of the largest dairy companies, we take the challenge of both producing more [to feed a growing population] and greatly reducing emissions and impact on climate.*

*Our ambitious plan to reduce methane emissions – in line with Global Methane Pledges from 150 countries – is a commitment to build regenerative dairy.*

*This step change requires a collective effort. Working with farmers, partners and governments, we have the power and duty to build farming models that benefit the climate and society, taking a step forward to tackling global warming together. »*

**Working with farmers to transition to regenerative dairy**

Danone works directly with 58,000 dairy farmers across 20 countries and has already supported projects for dairy farms in 14 countries, through its regenerative agriculture program, initiatives such as [Farming for Generations](#) and with [Danone Ecosystem](#).

While these projects are holistic in nature, with benefits on biodiversity, soil quality and reduction of the use of chemicals in farming, reduction of GHG emissions - including methane - has been a priority.

We will continue to accelerate our efforts across geographies and across diverse farming systems, working hand-in-hand with dairy farmer partners. In 2023, we will launch 4 new initiatives for methane reduction in Africa, Europe and the United States.

**Collaboration and partnerships**

Danone is launching a partnership with **Environmental Defense Fund**, a global non-profit environmental organization working in nearly 30 countries. Environmental Defense Fund will work with Danone on:

- Improving science, data and reporting for agricultural methane emissions to ensure climate benefits are real and durable.
- Advocating for action from the dairy industry and governments to prioritize agricultural methane solutions.
- Advancing innovative financing models, such as co-funding models between companies and governments, to deploy farmer-friendly solutions, faster.

**Fred Krupp, President of EDF, commented:**

*“Cutting methane emissions is one of the fastest and most effective ways to slow climate change. The dairy sector can play an important role in driving these reductions while boosting farmer livelihoods and increasing food security and nutrition.*

*“Danone is the first food company raising this type of ambition, but it can't be the last. This is the decisive decade for climate action. We invite other food companies, farmers and policymakers to join us on a path toward 2030 climate results.”*

Danone is also a founding partner of Farming for Generations (F4G), a global alliance which brings together companies specializing in animal health and welfare, animal nutrition, crop nutrition and science and artificial intelligence, as well as NGOs like World Wildlife Fund for Nature, Compassion in World Farming, and Wageningen University. F4G has developed a [practical toolbox](#) of best-in-class solutions for dairy farmers, including solutions for methane reduction. These include factsheets and other resources dedicated to enteric emissions reduction, herd optimization, and manure management.

### **Working with governments**

Danone considers that policy is critical to unlocking systemic solutions to support dairy farm transformation, from supporting research and innovation, to co-financing, to ambition-setting, to driving a level playing field.

Danone North America is working closely with the U.S. Department of Agriculture to support farmers in reducing methane emissions through a comprehensive regenerative strategy where improved manure management strategies create methane reductions and improve fertilizer use on cropland.

In Europe, Danone is supporting the European Commission's Climate Neutral Farms (ClieNFarm) project to co-develop and upscale systemic locally relevant solutions to reach climate neutral, resilient and sustainable farms across Europe.

Danone has also worked with the Algerian government to support smallholder farmers to improve farming practices, working with 1,500 farmers since 2015.

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More information here:



### **About Danone ([www.danone.com](http://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 100,000 employees, and products sold in over 120 markets, Danone generated €24.2 billion in sales in 2021. 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 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. By 2025, Danone aims to become one of the first multinational companies to obtain global B Corp™ certification.

For more information, please contact:

Media Relations: [press@danone.com](mailto:press@danone.com) – Investor Relations: [finance@danone.com](mailto:finance@danone.com)

Danone: 17, Boulevard Haussmann, 75009 Paris, France

### **About EDF ([www.edf.org](http://www.edf.org))**

One of the world's leading international nonprofit organizations, Environmental Defense Fund ([edf.org](http://edf.org)) creates transformational solutions to the most serious environmental problems. To do so, Environmental Defense Fund links science, economics, law and innovative private-sector partnerships. With more than 3 million members and offices in the United States, China, India, Mexico, Indonesia and the European Union, Environmental Defense Fund's scientists, economists, attorneys and policy experts are working in 28 countries to turn solutions into action.

### **About Global Methane Pledge**

At COP 26 in November 2021 in Glasgow, the United States and European Union unveiled a Global Methane Pledge, seeking 30% reductions globally by 2030 from 2020 levels of human-caused releases across oil and gas as well as other major sectors such as livestock, agriculture, coal mining, and waste. This could eliminate over 0.2°C warming by 2050, preventing more than 8 gigatons of carbon dioxide equivalent emissions from reaching the atmosphere annually by 2030. This new framework secured 103 initial national pledges (representing nearly 50% of global anthropogenic methane emissions and over two thirds of global GDP), and today it has increased to 150 members. More information here: <https://www.globalmethanepledge.org>

### **Notes to editors**

- Methane emissions represent 25% of Danone's full scope emissions.
- Fresh milk represents approximately 70% of Danone's methane emissions. The remaining 30% is made up by indirect dairy ingredients.

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### FORWARD-LOOKING STATEMENTS

This press release contains certain forward-looking statements concerning Danone. In some cases, you can identify these forward-looking statements by forward-looking words, such as "estimate", "expect", "anticipate", "project", "plan", "intend", "objective", "believe", "forecast", "guidance", "foresee", "likely", "may", "should", "goal", "target", "might", "will", "could", "predict", "continue", "convinced" and "confident," the negative or plural of these words and other comparable terminology. Forward looking statements in this document include, but are not limited to, predictions of future activities, operations, direction, performance and results of Danone.

Although Danone believes its expectations are based on reasonable assumptions, these forward-looking statements are subject to numerous risks and uncertainties, which could cause actual results to differ materially from those anticipated in these forward-looking statements. For a detailed description of these risks and uncertainties, please refer to the "Risk Factor" section of Danone's Universal Registration Document (the current version of which is available at [www.danone.com](http://www.danone.com)).

Subject to regulatory requirements, Danone does not undertake to publicly update or revise any of these forward-looking statements. This document does not constitute an offer to sell, or a solicitation of an offer to buy Danone securities.