

DANONE NEWSLETTER

QUARTER 1

2021



DANONE
ONE PLANET. ONE HEALTH



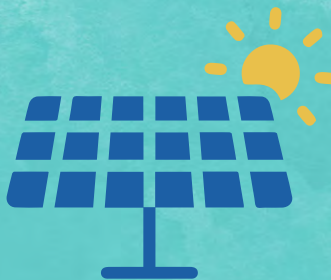
SHAPING
OUR
FUTURE
TOGETHER

IN THIS ISSUE...



WITH DANONE
Chose Well

DAY ONE WITH DANONE:
ONE DESK ONE CHILD



HARNESSING THE SUN'S
POWER FOR ENERGY



OUR VALENTINES PACK BEING
LOVED BY CONSUMERS

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Hello Again!

DEAR DANONERS, FRIENDS & PARTNERS

2021 seems to be moving at a phenomenal speed. We are once again delighted to bring you news from our company, our brands and most importantly our people.

What seemed impossible last year is now a reality: The Coronavirus vaccine programme is currently being rolled out and, we have renewed hope in the fight against this deadly virus.

With Alert Level 1, we have been seeing more Danoners coming to the office. We are thrilled to reconnect with people in this more personal way, but we remain vigilant on the Covid-19 protocols.

This year, we, the people of Danone, are even more committed to nourish the future of South Africa, by building a healthier lifestyle and planet for ourselves and our communities through all our business goals.

The teams have started with great zest, welcoming pre-schoolers to their year during Danone's Day One campaign with the desks made from recycled yoghurts cups. This re-enforces that we can #ChooseWell by making simple, positive everyday choices for a healthier planet just by giving plastic a second life.



OUR 2030 GLOBAL ★ GOALS

IN ORDER TO FULFILL OUR 'ONE PLANET. ONE HEALTH' VISION – WHICH REFLECTS OUR STRONG BELIEF THAT THE HEALTH OF PEOPLE AND THAT OF THE PLANET ARE INTERCONNECTED – WE DEFINED A SET OF **NINE INTEGRATED GOALS FOR 2030**. OUR MORE THAN 100,000 EMPLOYEES ACROSS THE WORLD ARE THE DRIVING FORCE TO ACHIEVE THESE GOALS AND ACCELERATE THE FOOD REVOLUTION, WHILE CREATING SUSTAINABLE, PROFITABLE VALUE FOR ALL.



This year we have gone back to basics by speaking to our consumers on what they believe an ideal yoghurt should taste like and what functional benefits it should provide. These consumer groups have been most insightful and will be the catalyst to help us fulfil our goals to deliver superior food choices with our innovations. During these tests our research and innovation teams work was positively appraised – they say the proof is in the pudding, and in our business, we say the proof is in the cup! Indeed the tastes of Nutriday Junior and Divine swept our consumers off their feet. These brands stole the spotlight for Back to School and for Valentines Day respectively and I hope that you and your families enjoyed these thick, creamy, moreish yoghurts.

This Easter I will be spending time with my family. We will be having a traditional Easter Sunday lunch and my family knows very well that no feast is complete without Ultramel. This brand has been synonymous with family gatherings and holidays and this Easter will be no different. Look out for our customary Ultramel Easter displays in stores all over the country.

Lastly, may I also remind you that whilst there is positive news on the Covid front, we must continue to maintain safety precautions of masking, hand-washing and social distancing as we gather to celebrate Easter.

Keep well and remember to Choose Well!

Fru Nche

RESEARCH AND INNOVATIONS DIRECTOR



OFFER SUPERIOR
FOOD EXPERIENCES
AND
INNOVATE,
ALWAYS



Choose Well

Getting To Know OUR DIRECTORS

IN A REGULAR FEATURE WE ASKED TWO OF DANONE'S DIRECTORS TO SHARE A SNEAK PEEK INTO THEIR LIVES AS WELL AS SOME OF THEIR INSPIRATIONS TO WHO THEY ARE.

“ KID NKANTSU | INDUSTRIAL DIRECTOR

...My personal commitment is to bequeath to the next generation and beyond a healthy planet and a healthy nation, both critical to the sustenance of life and livelihood.



”

Kid has over 20 years of experience in manufacturing and operations spanning across the Chemicals, Foods & Beverages and now the Dairy business. A strong and driven leader with a proven track record of turning around struggling operations (small and large) using principles of lean manufacturing, people engagement and accountability. Since the start of his career at Danone in 2017, Kid has shown his ability to align functional activities to business objectives and is often described as a team player with great interpersonal skills. Kid cares deeply for the people he works with and always strives to leave them better than he found them.

Q: WHAT BOOK DO YOU HAVE ON YOUR BEDSIDE TABLE?

I am reading a book (a memoir) entitled “ Time is not the measure “ by Vusi Mavimbela , a former Umkhonto Wesizwe operative, a former government functionary, currently an ambassador in Egypt. A great book with key insights on the disruptions caused by apartheid and colonialism on the ordinary lives of the African people (a sad story! and its legacy still persists). It goes further to cast light on some of the epic failures of the new government and key lessons that can be drawn from that by the future generations. I am South African through and through, and we must not allow our country to go down the drain through corruption and maladministration.

Q: WHAT IS YOUR PERSONAL COMMENT ON ONE PLANET ONE HEALTH?

This a great vision by Danone, my personal commitment is to bequeath to the next generation and beyond a healthy planet and a healthy nation, both critical to the sustenance of life and livelihood.

Q: YOU HAVE ACTIVELY BEEN INVOLVED WITH THE DAY ONE PROJECT. WHAT DID YOU FIND UNIQUE ABOUT THE CAMPAIGN THIS YEAR?

What an amazing campaign!!! Innovative and inspiring! Its uniqueness is in solving a social problem, scarcity of resources in early childhood development centres (ECDs), specifically by providing single unit desks made out of recycled yoghurt tubs. This year alone Danone will provide 500 of these desks and by so doing divert about 19 tons of plastic waste away from landfill. Imagine the impact we can make if we have more industry players joining in? We are making a rallying call for partnership and collaboration and so far the response has been amazing.

Q: WHAT HAVE YOU INCORPORATED IN YOUR PERSONAL LIFE TO BRING ONE PLANET ONE HEALTH TO LIFE?

I have stopped using plastic bags when I go shopping. I also try to separate waste for recycling at home where possible. On health, I eat well and I am physically active. These are all small choices that ultimately will help the planet.

Q: WHAT IS YOUR FAVOURITE HEALTHY FOOD AND WHY?

Plain yoghurt, any citrus fruits and water (I have fallen in love with water *smiles*)

Q: WITH THE SECOND YEAR OF THE PANDEMIC HOW DO YOU THINK CORPORATES HAVE CHANGED THEIR WAY OF THINKING AND HOW CAN THEY ADOPT MORE RESPONSIBLE PRACTICES

We are seeing a sea of change in the attitudes of corporates towards the health of our planet and healthy lifestyles. More and more businesses are taking up renewable energy projects to reduce their carbon footprint, they are looking at preserving water, recycling and are promoting healthy lifestyles through the introduction of flexible working hours amongst other things. So yes, the COVID pandemic has forced us to rethink the way we do things. A healthy planet and a healthy lifestyle is the currency of the future!



MARLINIE KOTIAH | GENERAL SECRETARY DIRECTOR

“ Now more than ever we have seen that the earth we live in and the foods we eat are interconnected. ”

Our General Secretary Director is a qualified dietitian with a broad range of experience in the public and private sector.

Marlinie served for 4 years as a public service dietitian and a further 25 years within the food & beverage industry.

She is skilled in the areas of corporate affairs, communications, crisis management, regulations, internal compliance, strategy & insights and research and innovation.

Her journey and love for food and wellness has taken her through many purposeful career paths locally and internationally. She realised that in her capacity working for industries, she could influence scientific research, shape food innovations to create healthier options and encourage public education programmes thus having scalable impact. A solid knowledge of the food legislation has made her a respectable leader amongst scientists and health stakeholders and she has had many positive outcomes in shaping and positively influencing regulations.

Q: WHAT BOOK DO YOU HAVE ON YOUR BEDSIDE TABLE?

Infinite Game by Simon Sinek

Inspired that Leaders should not play an infinite game with a finite mindset.

Being competitive, I am challenged by Sinek's philosophy that focusing on winning is a short-term game and I am taking lessons on how to respect competitors.

Q: WHAT IS YOUR PERSONAL COMMENT ON ONE PLANET ONE HEALTH?

Now more than ever we have seen that the world we live in and the foods we eat are interconnected. We cannot expect someone else to provide the balance in the ecosystem in which we live. I take accountability for my own health and for my family. We are acutely aware of water and energy scarcity, and the impact of the choices we make on the planet.

I am fortunate to work in an organisation whose values are aligned to mine. Our vision is simple 'The people of Danone, are committed to nourish the future of South Africa by building a healthier lifestyle and planet for ourselves and our communities through all our business goals'.

At work I lead from the front, I know that choosing well in small steps will add up – and I live by the Martin Luther King mantra – 'faith is taking the first step even when you don't see the whole staircase'.

Q: YOU HAVE ACTIVELY BEEN INVOLVED WITH THE DAY ONE PROJECT THIS YEAR. WHAT DID YOU FIND UNIQUE ABOUT THE CAMPAIGN THIS YEAR?

We told a story beyond One Health and included a compelling One Planet message. We also addressed an urgent societal need to help convert plastic waste to make specially designed desks for Early Childhood Development Schools allowing children to socially distance and remain safe during the Covid pandemic.

Q: WHAT HAVE YOU INCORPORATED IN YOUR PERSONAL LIFE TO BRING ONE PLANET ONE HEALTH TO LIFE?

We recycle paper and plastic. Our waste has drastically reduced – we have only a quarter of a bin that is disposed through the municipality. We use our water from our shower to water our plants. Our foods are based on 2 vegetarian meals per week, and we encourage eating raw fruit and vegetables for lunch.

Q: WHAT IS YOUR FAVOURITE HEALTHY FOOD AND WHY?

Yoghurt off course! It feels clean on my palate. It keeps me full but not heavy. It helps keep my gut healthy and happy. The fact that Nutriday has added 12 nutrients including zinc is a bonus.

Q: WITH THE SECOND YEAR OF THE PANDEMIC, HOW DO YOU THINK CORPORATES HAVE CHANGED THEIR WAY OF THINKING AND HOW CAN THEY ADOPT MORE RESPONSIBLE PRACTICES?

Companies have put people and their well-being first. They have shown their agility to create safe spaces to work in at the office and allowed parents to toggle home schooling with work. Work-life balance is the new agenda.

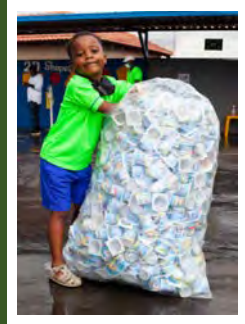
Mental well-being has become even more important. I want to add that mental well-being sits in the gut – as the gut produces hormones that help you feel good – even more reason to eat well.



WITH DANONE



ONE DESK. ONE CHILD.



Danone has taken on the challenge to donate 500 desks to thirteen preschools in 2021. The desks promote social distancing between the learners when in class. What also makes these desks unique, is that they are made from recycled yoghurt cups!

The equivalent of 914 Nutriday 1kg tubs go into making one desk frame and 245 yoghurt six-packs go into the top, to make this durable desk. The desks are designed under the supervision of an occupational therapist for children aged four to six years.

The desks serve the dual purpose of providing resources in need while diverting plastic from landfill. In the COVID context, these desks also promote social distancing, and encourage a safe learning environment for pre-schoolers to thrive. Through this Day One initiative, Danone will transform 19 tons of waste into school desks.

The preschools receiving the desks enter a yoghurt tub collection programme to collect the material to create more desks for other schools in need. In this way, the habit of recycling and protecting the planet is entrenched in these young learners.

“We hope that our commitment will encourage others in the industry to make collective progress towards ensuring that all plastic packaging is fully recyclable and recycled.” Says Kid Nkantsu, Industrial Director of Danone South Africa. The Day One campaign is a kickstart to a broader movement in which more partners contribute to the initiative.

Follow Danone SA on Facebook and Instagram for tips on how you can Choose Well to support your child's health as they go back to school and join the recycling movement to protect the health of the planet.



DAY ONE

WITH DANONE



RECYCLE YOUR YOGHURT TUBS!



The factory will turn the tubs into desks!

Enjoy your delicious yoghurt!



The tubs will be taken to a factory

Place the tubs into the collection bin at school



THANKS FOR HELPING THE PLANET, AND FOR HELPING US MAKE DESKS TO SHARE WITH OTHER CHILDREN!



Choose Well

DANONE SOUTHERN AFRICA RECOGNISED AS A



2021 TOP EMPLOYER ★

IN 2021, AND FOR THE THIRD CONSECUTIVE PERIOD, DANONE SOUTHERN AFRICA WAS CERTIFIED AS A TOP EMPLOYER OF THE YEAR. THE AWARD ACKNOWLEDGES EMPLOYERS WHO HAVE EXCELLED IN HUMAN RESOURCE PRACTICES AND RECOGNISES EXCELLENCE IN THE CONDITIONS THAT EMPLOYERS CREATE FOR THEIR PEOPLE.



HENDRIK BORN | MANAGING DIRECTOR

“Being recognised as a Top Employer is testament to our continued commitment to improve our people related practices and HR Policies,” says Hendrik Born, Managing Director of Danone Southern Africa. “During 2020 we were faced with many challenges. Our first goal was to ensure safe working conditions for the essential workers who had to make our healthy products available to as many South Africans as possible. Keeping connected to our people who worked remotely and helping them feel engaged required us to think differently and remain agile in our leadership style.”

Top Employer is an internationally recognised institution and judging of applicants is based on nine key areas: Talent Strategy, Workforce planning, On-boarding, Learning & Development, Performance Management, Leadership Development, Career and Succession Management, Compensation and Benefits, and Culture. Danone will continue their journey of What Matters, that is: People, Profit and Planet. In preparation for 2022 Danone will be focusing on the following three people related areas.



- 1. TALENT DEVELOPMENT & RETENTION
- 2. LEADERSHIP DEVELOPMENT
- 3. CULTURE

People development is “not a top down strategy, but a partnership between the employer and the employee. Our employees are key shareholders who have a voice in how we shape the achievement culture for Danone Southern Africa”

HARNESSING THE SUN'S POWER TO OPERATE

PRESERVE
AND RENEW THE
PLANET'S
RESOURCES



HENK VAN DER HYDE | SUSTAINABILITY MANAGER

In 2019, the Operations Team at the Danone Factory signed off an ambitious roadmap to instal solar panels at the Boksburg plant – faced with its fair share of adversity, such as Covid-19 restrictions and unpredictable weather conditions, the team, lead by Henk van der Hyde, Sustainability Manager at Danone Southern Africa managed to successfully finalise the project with 4000 solar panels installed on the factory roof.

“One of our 2030 goals is Preserving and Renewing The Planet’s Resources and the solar project is one of the solutions we have developed to lessen the burden on our environment.”

Danone together with 280 other corporates around the world have signed RE100 (Renewable Energy 100%) and are committed to sourcing renewable energy by 2030 to reduce and minimise our carbon footprint.

10% of the factory’s total grid requirements supplied by the municipality will now be provided by these solar panels. “Ten percent may sound like a minimal amount but if converted it is the total power supply of 5200 houses for an entire month,” says Henk. The team will now focus their attention on expanding this project as part of the carbon neutrality roadmap, where 60% reduction in carbon intensity will be reached by 2025.

GOVERNANCE at Danone

The Covid-19 health crisis meant we had to remain agile on using new vendors to procure PPE like hand sanitisers and masks, and be prepared to procure ingredients from alternate sources, especially in anticipation of closed borders. This was the catalyst to re-look our controls to prevent any fraud and corruption. Danone quickly responded by putting into place a Third Party Vetting System, first managed manually and now automated, to reduce the risk and secure business continuity.

Remote working was also a concern, as we needed signatories equipped and setting up secure electronic signs offs were critical.

We also needed to protect our employees, who could have become soft targets for fraud schemes. Fraudsters are still actively trying to take advantage of the current remote working circumstances and employees may be exposed to phishing or imposters sending new banking details of suppliers or hackers of targeting on-line meetings. IT systems needed to be enhanced and education reminders were consistent.

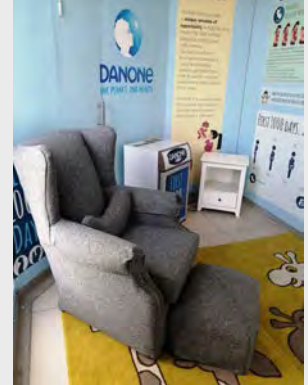
It's become more important to strictly follow all our processes and controls. For each unusual or unexpected demand, our advice is to push the "pause button", think twice and, and if needed, consult your compliance team.

ENTRUST DANONE'S
PEOPLE
TO CREATE
NEW FUTURES





SUPPORTING THE FIRST 1000 DAYS - MOTHER'S ROOM



We believe that the first 1000 days of a child's life is crucial, and we fully support breastfeeding. We are proud to share some of the first images of our newly transformed Mothers Room at the Boksburg factory and at our Head Office. New mothers are often overlooked at their workplace and expected to express breast milk in uncomfortable spaces. Now equipped with a comfortable chair and fridge, the Mother's Room has everything a mom needs to preserve her milk in a relaxed environment.

1st Trimester:

- > Danoner to inform Line Manager of due date
- > Line Manager to follow DanBaby guidelines
- > Danoner 1st Trimester Tasks:
 - Enter into DanBaby programme by notifying HR & CAB teams
 - Connect with **habebe**, **Diwevy**, **Stellen** and other relevant providers
 - Complete Risk Assessment document
 - Read and understand the updated Leave

2nd Trimester:

- > Read and understand **Diwevy** / **koelo** medical benefit/its summary
- > Familiarise yourself with warning signs related to (Postnatal) depression
- > Contact **koelo** for financial planning advice
- > Set up a meeting with HRBP to discuss:
 - Leave Period
 - Preparing Handover
 - Replacement during leave

3rd Trimester:

- > Meet with Line Manager to discuss transition after leave period
- > Set up (through HRBP) meeting
- > If applicable familiarise yourself with facilities (rooms)
- > Read what your employer policy on breast milk expressing of breast milk and discuss appointment with your line manager
- > If applicable report **Diwevy** / **koelo** ready

Congrats! Your baby is here!

- > Line Manager will be checking in on you on a regular basis
- > Read Breastfeeding Guide if applicable and Starting Solids Weaning guide
- > Danoner to familiarise with **koelo** document on what to expect
- > Schedule medical practitioner appointments for yourself and your baby
- > Start immunisation from six weeks at your baby

OUR HELPFUL DANBABY PORTAL LOCATED ON OUR INTRANET PROVIDES GUIDANCE THROUGHOUT THE PARENTING JOURNEY

CHRISTELL DUNN | PAYROLL & BENEFITS MANAGER
WHY DANBABY IS SO UNIQUE

“ Danbaby is testament to what Danone is doing over and above the industry norm of supporting new families and creating inclusive diversity for the caregivers.



”

DANBABY - OUR CAREGIVER POLICY

The transformation of the Mothers Room is an extension of our Danone Southern Africa Caregiver Policy entitled Danbaby. Danbaby is Danone's commitment to support parents for the first 1000 days until the baby is two years old

SOME OF DANBABY BENEFITS INCLUDE:

- PROVISIONS FOR ANTENATAL AND POST-NATAL VISITS FOR PARENT AND CHILD
- DANONERS WILL HAVE DIRECT ACCESS TO SERVICE PROVIDERS LIKE DISCOVERY, DISCHEM AND KAELO FOR EMOTIONAL SUPPORT, MEDICAL AND FINANCIAL GUIDANCE
- FOUR MONTHS PAID MATERNITY LEAVE FOR MOMS
- 14 WEEKS PAID LEAVE FOR ADOPTIVE PARENTS
- UIF CONNECT WILL ASSIST WITH SUBMISSION OF UIF FORMS TO THE DEPARTMENT OF HOME AFFAIRS FOR UNPAID MATERNITY LEAVE PERIOD
- 10 DAYS PAID PATERNITY LEAVE
- DANONE COVERS THE COST OF IMMUNISATION FOR INFANT UP TO 18 MONTHS PROVIDED BY DISCHEM
- NUTRITION ADVICE FROM MOM AND BABY FROM PREGNANCY THROUGH TO TODDLERHOOD



DIANE LABAN-RAMSEY
BRAND MANAGER, DANONE SOUTHERN AFRICA

"I would like to start off saying that I proudly mention to family and friends as well as my doctors that Danone has a baby benefit covering vaccines," says Danoner Diane Laban Ramsay whose son is one year old. "This has really meant a lot to our family, saving on our MSA in a year where health has been a big concern."



DANBABY

SUPERIOR FOODS

➔ Made Just for South Africans



NUTRIDAY JUNIOR IS THE ONLY YOGHURT IN SOUTH AFRICA TO CONTAIN ZINC AND IRON, MAKING IT A SUPERIOR YOGHURT. IT WAS ALSO ONE OF THE KEY CONTRIBUTORS TO THE VOLUME GROWTH WE HAVE SEEN IN 2020. WE HAVE RECENTLY COMPLETED RESEARCH ON OUR NUTRIDAY BRAND WHERE CONSUMERS EMPHATICALLY TELL US THAT IT IS SUPERIOR TO THE NEAREST COMPETITOR.



NutriDay Junior

IMPACT PEOPLE'S HEALTH LOCALLY

GROW MANIFESTO BRANDS

OFFER SUPERIOR FOOD EXPERIENCES AND INNOVATE, ALWAYS



LOVE PACK

Month of Love



DURING FEBRUARY, DIVINE LAUNCHED A LIMITED-EDITION VALENTINE'S PACK FOR OUR 1KG TUB IN CELEBRATION OF THE MONTH OF LOVE. CONSUMERS FELL IN LOVE WITH THE PACKAGING AS THEY OPTED TO INCLUDE THIS DIVINE DELIGHT IN THEIR SHOPPING BASKET.

IN A RECENT RESEARCH STUDY OF FOUR LEADING YOGHURT BRANDS ACROSS SOUTH AFRICA, CONSUMERS WERE ASKED TO RATE YOGHURT IN A BLIND TESTING. IT IS NO SURPRISE THAT NUTRIDAY JUNIOR WAS VOTED TOPS WITH FEEDBACK INCLUDING:

'Is for strong minds and bodies'
'The strawberry flavour is delicious'
'Excellent quality'
'Great tasting'





LOOK OUT FOR OUR
NEXT NEWSLETTER
IN JUNE!

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