

DANONE NEWSLETTER



DANONE
ONE PLANET. ONE HEALTH

QUARTER 3

RINGING IN
SPRING WITH A
HOST OF NEW
INNOVATIONS



Celebrating women

IN THIS ISSUE...



WOMEN'S MONTH



AMAZING NEW
INNOVATIONS



SHARING THE GOOD:
DONATIONS

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DUMELA, SANBONANI, GOEIE DAG AND HELLO, IT IS NICE TO MEET YOU...



EMMANUEL MARCHANT
MANAGING DIRECTOR

My name is Emmanuel Marchant and I am happy to introduce myself as the new Managing Director for Danone Southern Africa. After a couple of months of having one foot in Paris and one in Johannesburg I am finally proud to say that I am a local.

For over 20 years I have been rooted in Danone and have always been inspired by the company's view of sustainability and value for all, which is aligned with our dual economic and social agenda.

Our local strategy for 2021 is simple yet powerful. We have a set of must wins that we refer to as our 'obsessions'. At the heart of this strategy is our people as we understand that its only through working together that we can reach success. Looking ahead, our three-year vision also reinforces this: We 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.

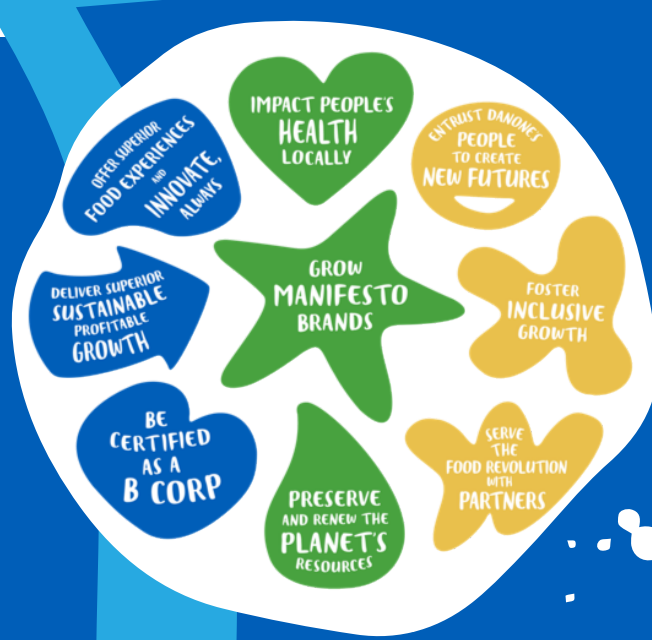
One of the things the local teams will tell you is that I am a big advocate for the Danone value system called HOPE – an acronym explaining our four values: "HUMANISM, OPENNESS, PROXIMITY and ENTHUSIASM". HOPE guides the way we behave every day, the way we work and progress in our business, the way we connect with our communities, and the way we develop people.

I am encouraged to see that we now have over 10 million vaccinated South Africans and that we are on the journey towards reaching the ultimate goal of herd immunity. At Danone, all of our exco members have received their vaccinations and our Danoners have also raised their hands in the fight against the pandemic with many completing their vaccinations.



It was great to be part of Women's Month in South Africa – my first. I have had many experiences at Danone and have always found valuable lessons in diversity and the CHANGE women bring. The Women in Leadership team is part of the Inclusive Diversity committee and a key driving force to bring equality within the workplace – following in the footsteps of the 20 000 women who marched on 9 August 1956 protesting for equal rights. Read more about #WomenMakeChange in the newsletter.

Our focus for the rest of the year will be to continue carving out our growth within all our categories and looking towards our exciting new innovations on Ultramel, Divine and DanUP. Look out for more of this later in this newsletter.



EMMANUEL MARCHANT

MANAGING DIRECTOR, DANONE SOUTHERN AFRICA





During July our country was gripped in fear with violent riots, not to mention the Covid-19 infections reaching a devastating peak. We all worried about the wellbeing of our families and of our fellow South Africans. However, within the chaos we saw the South Africa we love and are proud of. Our people, who Choose to get involved, the people who Choose to move forward. We saw everyday, all people in the community rise up to protect, serve others and rebuild our country. There were also numerous relief agencies like FoodForward SA, New Beginnings, RebuildSA, Gift of the Givers, through whom, tons of food could be donated. To date Danone has donated over 6 million servings of NutriDay and Inkomazi products to the communities that are in need.

Due to Lockdown measures we were not able to celebrate our annual Mandela Day as we have in the past by working in our communities and giving of ourselves. Danoners therefore decided to raise their hands and donate to a worthy cause: The Quagal Restoration and Refuge centre. As a result of these generous donations, we were able to provide 100 blankets to this community.

We feel privileged to be able to give back to our incredible country and its people and cast our vote for the South Africa that we want to live in, that we want our children to grow up in.

MASIBAMBANENI!! CHOOSEWELL



Home of Hope For Girls



Quagal Restoration & Refuge Centre



Food Forward South Africa



Getting To Know OUR DANONERS

IN A REGULAR FEATURE WE ASKED TWO OF OUR DANONERS TO SHARE MORE ABOUT THEIR LIVES AT DANONE AND WHAT THEY FEEL PASSIONATE ABOUT.



TARRYN HAIDEN | HEAD OF COMMERCIAL STRATEGY

Hi. I'm Tarryn. Most people call me T. I am 38 years young, married to Jonathan (my better 50%), we have two beautiful daughters: Katelyn (7 years old) and Taylor (5 years old), and 2 fluffy "boys" Snoopy and Jackson (my rescue hounds).

On the weekend you will find me doing arts and crafts with my kids, cooking curry, stews, gardening and "safely" socialising with friends and family.

Q: WHAT IS YOUR ROLE AT DANONE AND HOW LONG HAVE YOU BEEN WITH DANONE?

On the 1st September I will have been with Danone for three years! Whoop whoop! I joined as a marketing manager overseeing innovation projects, a year later I was managing the Nutriday and Global brands portfolios and recently (in May 2021) I moved to sales as Head of Commercial Strategy. My team (Commercial, Strategic and Planning) and I are "the ham in the sandwich": after managing integration and alignment between the sales and marketing functions. We are responsible for optimising price, promotion & customer strategy through Profitable Revenue Growth Management, collaboration with Key Account Managers and Field Sales and driving awesome shopper and category initiatives with customer!

Q: WHAT BOOK CAN WE FIND ON YOUR BEDSIDE TABLE?

Rogue Heros (I love non-fiction war stories), Eco Homes, 5 levels of Leadership (and will happily swap between the books depending on my mood and what I need to balance me after a very busy day!)

Q: WHAT IS YOUR TAKE ON DANONE'S VISION, OF ONE PLANET. ONE HEALTH (OPOH)?

Having a young family has made me even more focussed on creating a meaningful and sustainable future for them. Not only companies but WE ALL have a responsibility to take our health and planet seriously.

Q: WHAT HAVE YOU INCORPORATED IN YOUR PERSONAL LIFE TO BRING OPOH TO LIFE?

In my kitchen we use different coloured recycling bins and whilst home-schooling the kids, we have learnt about nutrition and that broccoli is an "often food" and chocolates are an "occasional food". It all starts with us!!

Q: WHAT IS YOUR FAVOURITE HEALTHY FOOD AND WHY?

I have always had a preference for "healthy food". I love winter soups with barley and veggies, but selling this to my family is not always successful I have also realised that getting older means I need to look after my body - it's the only one I have!

Q: HAVE YOU SEEN CHANGE IN THE WAY CORPORATES APPROACH THE PANDEMIC AND LOCKDOWN RESTRICTIONS OVER THE LAST 18 MONTHS?

The reduction in morning and afternoon traffic tells the story! I think work from home has taught us about being SAFE, self-sufficient and organisations have had to trust employees to deliver what is required from home. Danone is no different and I believe the company has been exceptionally focussed on making sure we are Working in a Safe Environment (WISE). Central to our COVID response an independent Health & Safety Audit was conducted for the commercial team and we scored 80% - evident of how we live 'WISE' every day.

Q: WHAT GIVES YOU HOPE?

The last 1,5 years has brought more "humanism" as well as an awareness on pertinent health issues, to the world. This COVID reset has brought a renewed focus for humans to support each other, show kindness, love and generosity to sustain us and our planet. I saw this humanism first hand when the commercial team in KZN worked tirelessly during the July riots to ensure the safety of their colleagues and our customers.

JESSICA GOVENDER | EXTERNAL (CBU) QUALITY MANAGER



“ I am a strong willed, resilient woman that believes anything is possible if you dream and back that dream with working hard and smart. I am happily married and the proud mom of three, a set of twin Girls (Amarisa & Anahira - 4 years old) and a boy (Zachary - 2 years old), in addition I have two Pekingese babies, Gizmo and Apollo. I am passionate about my spiritual life, self-awareness and self-balance and I am constantly working on this. I am creative - I enjoy landscaping, baking, interior decorating and design. I love spending time with people - my team, colleagues, family and friends and really get energy from others. ”

Q: WHAT IS YOUR ROLE AT DANONE AND HOW LONG HAVE YOU BEEN WITH DANONE?

I am the External Central Business Unit (CBU) Quality Manager for Danone Southern Africa. In my portfolio, I am responsible for Quality and Food Safety of Suppliers (Ingredients) and Packaging Materials, Third Party Manufacturers, Projects, Logistics and Warehousing as well as Store Checks. I have been with Danone for just over four years.

Q: WHAT BOOK CAN WE FIND ON YOUR BEDSIDE TABLE?

My Bible: I read 3 chapters a night - I like to reflect a lot on my actions and behaviours so I can be a better person

Q: WHAT IS YOUR TAKE ON ONE PLANET ONE HEALTH (OPOH) AND WHY IS IT IMPORTANT FOR COMPANIES TO TAKE THIS SERIOUSLY?

For me OPOH is critical. We have only one planet and we as humans have been irresponsible in the way we have treated it. I am so glad that I work for a company that is deliberate on this topic and have tangible actions to improve or reduce the negative impacts on our planet. I feel companies need to do more, we are already experiencing climate change and our planet is heating up. One health is also very important: the products we make are nutritious and required for our balanced diet and for our healthy gut, which in turn helps to promote strong immunity. It's a win-win to work for an organisation that is purposeful in areas that I personally feel passionate about.

Q: WHAT HAVE YOU INCORPORATED IN YOUR PERSONAL LIFE TO BRING OPOH TO LIFE?

On One Health - I have introduced yoghurt to my children from a young age. Its a part of their diet and they love it!
On One Planet - I don't use plastic bags when I shop, I have re-usable bags instead. I look for clothes that are made from recycled material. I have used vegetable food waste for gardening, it works well as as a compost.

Q: WHAT IS YOUR FAVOURITE HEALTHY FOOD AND WHY?

I love Plain Low Fat or Double Cream Yoghurt - I add fruit & muesli for a healthy snack. I also add this in smoothies with some veg. It's both tasty and refreshing. I like foods with fibre - Cereals, Brown Rice and fibre rich bread.

Q: HAVE YOU SEEN CHANGE IN THE WAY CORPORATES APPROACH THE PANDEMIC AND LOCKDOWN RESTRICTIONS OVER THE LAST YEAR AND HALF?

I have seen companies really becoming more "people focussed" or "human centric". I saw a lot of corporates taking responsibility for their employees' health, safety and mental wellbeing. This was done by creating means and platforms for flexible working and providing support systems to help their employees cope emotionally, financially and mentally through this pandemic.

Q: WHAT GIVES YOU HOPE?

My spirituality and belief in a higher power gives me hope for a better future. People give me hope because we are inherently good and we can do more good in this world and towards each other. All the examples I see such as acts of kindness, selfless sacrifice and the willingness of people to make a positive impact, really affirms my belief that there will be a better future for the world. I really do believe we can all be hopeful but equally we all have a role in making a positive impact and a difference to the lives of others and to the world we live in.



TRUST DANONE
PEOPLE
TO CREATE
NEW FUTURES

DANONE
INCLUSIVE
DIVERSITY

**Celebrating
Women**
#WomenMakeChange



#WomenMakeChange



As part of our Inclusive Diversity agenda, celebrating women in our country and Danone Southern Africa (DSA) is key. Like the rest of South Africa, DSA celebrated the bravery 20 000 women showed on the 9th August 1956, when they marched to the Union Buildings to peacefully protest against gender inequality and discrimination. Every year, we dedicate the month of August to honouring our women at DSA for their contribution to this company.

We have been encouraged by how our women have played a role in creating change over the past years. To this effect, the theme for this year's Women's month was #Women-MakeChange. The word CHANGE was broken down, and each letter attributed an important meaning on which we reflected...

COMPASSION HARMONY ACTION NETWORKING GENDER EQUALITY



**DID YOU
KNOW?**

DSA has established an employment equity plan (2019 -2024), which was submitted to the Department of Labour, and our leadership team is accountable for its deliverables, including a priority to attract, accelerate and retain talent

WE ARE PROUD
TO SHARE THESE STATISTICS
WHICH DEMONSTRATE THE PROGRESS
WE HAVE MADE

50% OF OUR DIRECTORS ARE FEMALE

43% OF THE SENIOR LEADERSHIP TEAM
ARE WOMEN

We will continue monitoring these commitments as we believe that "WomenMakeChange"



OUR RECOGNITION PROGRAMME

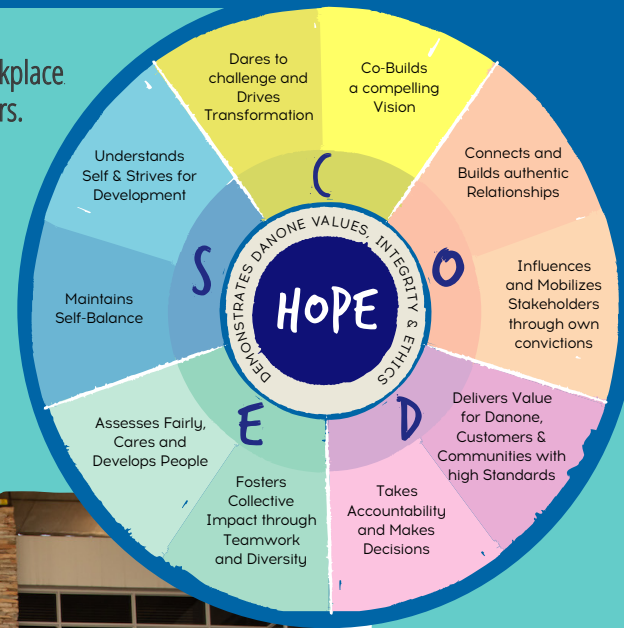


ROB JOHNSTON | HEAD OF COMPENSATION AND BENEFITS

“Our Danoners are our most important asset and we want them to feel appreciated and valued and to proudly collaborate whether individually or across diverse teams”

The One is our unique employee recognition scheme and aims to foster a positive workplace culture based on our values and behaviours which leverage the strength of all Danoners.

The One has seven different categories and is a peer-based voting system. The One candidates are also evaluated based on our CODES Leadership Model. Our CODES behaviours (Creates a meaningful future; Opens connections inside and outside; Drives for sustainable results; Empowers self and diverse teams; Self-aware) are how we demonstrate and bring these values to life. From recruiting for CODES behaviours to designing our learning programmes to developing and growing CODES leaders. It is also a basis for assessing performance and development of each of our company's employees. Creates, Opens, Drives, Empowers and Self-aware: these are the key attributes of a leader at Danone.



THE ONE WINNERS 2021

ENTRUST DANONE'S PEOPLE TO CREATE NEW FUTURES



Remember our DanBaby Employee Benefits Programme? Click here to take a tour of our mothers rooms and learn more

TRIAL & TRIAL AGAIN

RESEARCH AND DEVELOPMENT

Ever wondered how we design and deliver to our target of superior products to improve people's health locally? Mignon de Wet, Senior Product Development Manager takes us on the journey of how we engage with our scientists, our consumers and how we progress with the product development to combine health and taste in one cup of yoghurt.

OFFER SUPERIOR
FOOD EXPERIENCES
AND
INNOVATE,
ALWAYS



1



2



3



DEFINING OUR CONSUMER NEEDS

We design products with South African needs in mind. We work with various experts:

- *dietitians who identify what is missing in the diets of consumers. They also ensure that we comply with our internal Nutriptide targets that classifies the level of sugar, saturated fat, kilojoules and sodium we must comply with.
- *anthropologists who seek to understand the basic eating hierarchy and how cultures affect what we eat.
- * the trends that drive ingredients, product and packaging, and finally
- *marketing analysts define need states of what people are seeking in food and how we can best fulfil these needs.

DEFINING THE PRODUCT APPEAL

Once we have an idea of the concepts, we work on a theoretic and tactile basis to stimulate ideation. These workshops are used to prioritise what we want to pursue. The final concepts are tested with the consumer for their appeal to purchase. If this is an attractive proposition, we create a business case to establish our capabilities to manufacture this and whether it helps grow the business sustainably.

GAINING THE BUSINESS APPROVAL

A transversal team will establish whether we can produce the product within the high Danone quality standards, deliver the financial targets, be attractive to our retailers and our consumers. We also do a legal and regulatory check point to ensure compliance. We also assess the carbon footprint of the product and packaging design

4



5



6



FROM PILOT PLANT TO TO FULL SCALE PRODUCTION

Recipe development begins with a "kitchen" or pilot trial. Here is the fun part, you can use various ingredients to adjust the texture, the flavour, the colour. Through consensus team tasting, we choose the best prototype to proceed with consumer evaluation. When the consumer is satisfied (which we test with more tasting research), we are ready to run full batch trials which we repeat three times to ensure that we get this right consistently. It is at this time we will set all the quality parameter, test the ferments (culture count) and vitamin delivery.

NO COMPROMISE ON REGULATIONS, QUALITY & FOOD SAFETY

Vigorous validations are implemented on the product to approve our trials. Every trial has multiple process checks such as minimum temperatures reached for food safety, fermentation curves to reach our desired pH as well as operational efficiency of the filling line. The trial product is checked against the following target specifications: the protein, fat and total solids content. The filling line (packaging line) is closely monitored to make sure the packaging material runs smoothly and that the end product is filled at the correct weight. The product is assessed via internal tasting by our team of trained "aware tasters". They assess organoleptic properties such as the colour, shininess, aroma, texture in the mouth, creaminess, sweetness and acidity. Statistical results indicate if the product taste is as expected and even how the taste evolves over time.

SAFETY BEYOND PRODUCTION

Each product is tracked for the full duration of its shelf life, with the yoghurt culture count check being an important determining factor in the success of a product trial. The packed product gets subjected to topload tests to make sure the packaging is rigid and robust and pallets of product also undergo transport tests to make sure the product remains in good condition during storage.

MIGNON
DE WET





ACCESS TO
NUTRITION
INDEX™

DANONE RANKS 1st OUT OF 25 GLOBAL COMPANIES FOR HEALTHINESS SCORE'



Access to Nutrition Initiative (ATNI) is an independent index which assesses how the world's largest global food and beverage manufacturers contribute to addressing malnutrition in all its forms: overweight and obesity, undernutrition, and micronutrient deficiency. ATNI is led by the Access to Nutrition Foundation, an independent not-for-profit organization based in the Netherlands that works internationally.

Twenty-five leading food and beverage manufacturers were included in the 2021 Global Index.

	DANONE SOUTHERN AFRICA	DANONE GLOBAL
# PRODUCTS ASSESSED 2018	65	759
# PRODUCTS ASSESSED 2021	76	1004
MEAN HEALTHINESS SCORE 2018	6,2	6,2
MEAN HEALTHINESS SCORE 2021	6,6	6,9

Danone globally ranked 1st on the Product Profile parameter and achieved the highest mean healthiness score - an indication of the nutritional quality of company's products in best-selling categories across major markets.

Danone Southern Africa's product profile was assessed as part of the 2021 Global index and showed that our mean healthiness score increased from 2018 to 2021, contributing to Danone's global score.

This consistent improvement in our mean healthiness score over time showcases of Danone Southern Africa's commitment to continuously improve the nutritional quality of our products, and our mission to deliver health through foods.

CLICK HERE TO LEARN MORE ABOUT OUR NUTRITION COMMITMENTS.



INTERNATIONAL WATER WEEK

PRESERVE
AND RENEW THE
PLANET'S
RESOURCES



World Water Week was celebrated from 21 – 27 August themed “Building Resilience Faster”. In 2020 Danone launched the Water Policy which is built on three pillars, one of which aims to reduce water usage in our plant. A comprehensive water change management programme at Danone’s Boksburg factory helped reduce water consumption by more than 60% since 2017. The actions entail:

REDUCE WATER USE

- We introduced daily measuring and reporting on water consumption through our ‘Green Track Tool’
- Continuous benchmarking against local and international water consumption intensity standards ensures that we are aligned with global best practice
- Awareness campaigns and departmental targets ensure our factory teams keep this goal top of mind



REUSE WATER

- We engineered a closed loop for water used in cooling or heating
- All one-pass water was channelled to storage tanks for a second life in utilities and truck wash areas

RECYCLE WATER

- We improved condensation (loss of moisture) in our boiler room
- We initiated steps to recover waste water

For food production companies, the first step is to calculate the “true cost of water” in its supply chain and how water scarcity would impact the business. Secondly, farmers and businesses need to start measuring water consumption across their operations.

THE KEY IS TO ASK: CAN YOU ACCOUNT FOR EACH DROP OF WATER?



WE CALL THEM THE VACCINATED CREW

What once felt like a very unrealistic goal, is now within our reach. To date over 10 million South Africans have been vaccinated and in order to reach herd immunity, we need to vaccinate 27 million adults (67%).

We are encouraged and proud of all of our Danoners who have elected to receive the vaccine.



#VACCINATEDCREW



ONE DESK. ONE CHILD.

With the support of like-minded partners, we have scaled our programme to collect more plastic, produce more desks and reach more learners

To date, our 13 activated schools have collected 37 000 yoghurt tubs: the equivalent of 154 kg of plastic.

The collected tubs are upcycled to create much needed desks for under resourced schools to promote social distancing and a safe learning space in the classroom. In this way, we divert plastic from landfill and drive education among learners about the value of waste and recycling.

In August 2021, we scaled the programme from 13 to 100 schools activated as yoghurt tub collection points in Gauteng. This was achieved through collaboration with our like-minded purpose partners: Pick n Pay's School Club provided the infrastructure to activate the collecting schools, MPACT Recyclers donated collection bins to each of the schools, Interwaste Waste Manage Solutions facilitates collection and transport of the tubs to the desk manufacturers, and Danone covers the cost of upcycling the tubs to become desks.

We are extremely grateful to each of our partners, who share our goal to build classrooms of sustainability advocates.



A PARTNERSHIP FOR REGENERATIVE AGRICULTURE



PRESERVE AND RENEW THE PLANET'S RESOURCES

Climate change poses an unprecedented threat to food production and humanity, not in the future, but right here, right now. Danone is meeting this challenge by committing to be carbon neutral by 2050 (2030?) and co-creating solutions with our farmers and partners to tackle climate change.

Agricultural products are the biggest (by volume) raw material input into our factory and make up two thirds of the global Danone business green-house gas emissions.

Fortunately, there are ways of farming that help reduce its impact on the planet and the risks posed from climate change. These ways of farming centre around improving soil health; the healthier the soil, the more carbon dioxide it locks out of the atmosphere and the more fertile and resistant to extreme weather events it becomes. This in turn allows the farmer to use less fertiliser and water to grow the crop which saves input costs whilst at the same time reduces greenhouse gas emissions.



In January 2019 we held our first farmer 'regenerative agriculture' soil workshop hosting US Department of Agriculture soil expert, Jay Fuhrer. The workshop kicked-off Phase 1 of our journey of helping our farmers advance their soil health. The workshop was a success and to date approximately 56% of the land used to produce milk for us is under some form of regenerative soil health management, with the area increasing each year.



As we are committed to continuing this journey with our farmers, we are now progressing to Phase 2 of our Regenerative Agriculture journey. For this phase we have secured funding from WWF and the Dutch Fund for Climate and Development to help our farmers improve their soil health understanding and management and to robustly quantify their farm inputs and outputs. This in turn will help us calculate greenhouse gas emissions more accurately and track and report credibly on farm performance towards achieving our Regenerative Agriculture targets.

INDULGING IN OUR INNOVATIONS

WE ARE READY FOR SPRING WITH NEW INDULGENT INNOVATIONS AVAILABLE IN STORE FROM OCTOBER.



LAZOLA DALI
MARKETING MANAGER

ULTRAMEL



ULTRAMEL LACTOSE FREE GENTLE ON DIGESTION

Ultramel introduces its lactose free variant of South Africa's most loved custard. Lactose intolerance is relatively common in South Africa, and it is estimated that up to 81% of adults suffer from some degree of lactose intolerance or discomfort caused by lactose malabsorption. Available in the convenient one litre pack size, Ultramel Lactose Free still has the same great taste of Ultramel and now caters for consumers with lactose intolerance.

"Through innovations like Ultramel Lactose Free, we are innovating to ensure we address the needs of South Africans." Lazola Dali, Marketing Manager for Danone Southern Africa

"We live in a world where we are constantly connected but there are moments where we simply need to disconnect and find ourselves. The Covid-19 pandemic has amplified the need for indulgence by providing more occasions for consumers to seek comfort escapism and much needed motivation".

- Lazola Dali, Marketing Manager



DIVINE DOUBLE CREAM, DOUBLE PLEASURE

Divine is a world of indulgence where time seems to be suspended and where each spoonful is an experience to enjoy. Since its launch in 2018, Divine has been one of our fastest growing segments within the indulgence category and now we are adding more variety.



Firstly, we are excited to launch our New Double Cream Plain Yoghurt. It's so indulgent and creamy you can enjoy it on its own! This creamy delight is available in a convenient 1kg pack size and a 6x100g format for on-the-go consumption. Adding to the already popular flavours of Strawberry Cheese cake, Lemon Cheese cake and ChocRaspberry we now introduce Triple Chocolate and Coconut Choc Chip flavoured yoghurts, making the goodness of yoghurt so much more enjoyable.



LOOK OUT FOR OUR NEXT
NEWSLETTER IN DECEMBER!

199 Bryanston Dr
Bryanston
Johannesburg
2191
www.danone.co.za

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@DanoneSA

