



Press release – March 15, 2016

Danone-IUF: signature of a tenth agreement dedicated to sustainable employment

Danone and the IUF (International Union of Food and Allied Workers) today announced the signing of a tenth agreement, dedicated specifically to sustainable employment. This agreement applies to all Danone subsidiaries around the world. It aims to promote sustainable employment above and beyond the legal framework of each country where Danone operates. In it, Danone and the IUF jointly commit to reducing precarious employment in any form through clear definitions, processes and methodology.

Danone CEO Emmanuel Faber said, "Regular exchanges between management and labor are an integral part of Danone's corporate culture and our dual commitment to social progress and business success. Our connection with the IUF goes back many years, and I am very happy to join Ron Oswald, Secretary General of the IUF, in signing this agreement—our tenth. It will allow us to secure and develop our teams' skills, improve the quality of our products even more, and give our employees better access to their fundamental social rights."

Signing this agreement will ensure ongoing improvement in working conditions through a constant dialogue between local management teams and workers' representatives. This dialogue also aims to regulate the use of fixed-term and outsourced employment. Reducing these precarious forms of employment will enhance both Danone's attractiveness and its employees' engagement, promoting greater stability and better working conditions—and with them improved business performance.

Danone and the IUF jointly agree that permanent, direct and sustainable employment is the best guarantee of full enjoyment of fundamental rights by employees. To this end, the agreement spells out specific situations that may justify temporary employment: access to a new market, economic crisis, seasonal activity, specific competencies needed, or the acquisition of a company.

The agreement reached by Danone and the IUF sets out clear principles that guarantee the respect of fundamental rights for all Danone's employees, and thus employees of subcontractors as well. It defines three broad categories:

- **Permanent full- and part-time employees** directly hired by Danone for an unlimited duration
- **Fixed-term employees** hired by Danone either directly or through an agency for a specified duration
- **Outsourced workers** employed by a service provider to perform tasks on-site or off-site; independent contractors also come under this category.

Danone and the IUF recognize that all employees must benefit from equal and non-discriminatory hiring conditions. Safe and healthy working conditions must also be guaranteed, as well as decent wages and a right to training, whatever their job category.

Since 1988, ten agreements have been signed between Danone and the IUF:

- 1988 - Convention #1 Danone - IUF: Common view with the IUF
- 1989 - Convention #2 Danone - IUF on economic and social information for Danone
- 1989 - Convention #3 Danone - IUF to encourage professional equality of men and women
- 1993 - Convention #4 Danone - IUF on training
- 1994 - Convention #5 Danone - IUF on exercising union rights
- 1997 - Convention #6 Danone - IUF on modifications of activity affecting employment or working conditions
- 2005 - Convention #7 Danone - IUF for the implementation of social indicators
- 2007 - Convention #8 Danone - IUF on diversity
- 2011 - Convention #9 Danone - IUF on health, safety, working conditions and stress
- 2016 - Convention #10 Danone - IUF on sustainable employment

About the IUF (International Union of Food Workers' Associations, www.iuf.org)

The IUF is an international federation of trade unions representing workers in 126 countries. Since its founding in 1920, the IUF has striven to promote good working conditions for all those involved in planting, harvesting, transforming, preparing and serving the food products we depend on for life.

About Danone (www.danone.com)

Dedicated to bringing health through food to as many people as possible, Danone is a leading global food company built on four business lines: Fresh Dairy Products, Early Life Nutrition, Waters and Medical Nutrition. Through its mission and dual commitment to business success and social progress, the company aims to build a healthier future, thanks to better health, better lives and a better world, for all its stakeholders—its 100,000 employees, consumers, customers, suppliers, shareholders and all the communities with which it engages.

Present in over 130 markets, Danone generated sales of €22.4 billion in 2015, with more than half in emerging countries. Danone's brand portfolio includes both international brands (Activia, Actimel, Danette, Danonino, Danio, evian, Volvic, Nutrilon/Aptamil, Nutricia) and local brands (Oikos, Prostokvashino, Aqua, Bonafont, Mizone, Blédina, Cow & Gate).

Listed on Euronext Paris and on the OTCQX market via an ADR (American Depositary Receipt) program, Danone is a component stock of leading social responsibility indexes including the Dow Jones Sustainability Indexes, Vigéo and the Ethibel Sustainability Index.

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