



## **ADDENDUM TO THE NOTICE OF MEETING**

### **SHAREHOLDERS' MEETING OF 29 APRIL 2021**

The Company published the preliminary notice of meeting of the Combined General Meeting of Shareholders to be held on 29 April 2021 in announcement no. 2100609 in the French *Bulletin des annonces légales obligatoires* (BALO) dated 22 March 2021. A supplement to the preliminary notice of meeting has been published in the BALO dated 31 March 2021 (announcement no. 1200707).

Using the option provided by Articles L. 225-105 and R. 225-71 of the French Commercial Code, shareholders representing 4,928,142 of the Company's shares, *i.e.*, 0.718% of the share capital, have sent to the Company a request for an item to be included on the agenda for this Shareholders' Meeting, by e-mails dated 31 March, 1 April and 2 April 2021.

This request for a new item to be included on the agenda for the Shareholders' Meeting was sent by the following shareholders:

- Phitrust, of 7, rue d'Anjou, 75008 Paris, France;
- Ircantec, of 131, avenue de Choisy, 75013 Paris, France;
- CAVP, Caisse d'Assurance Vieillesse des Pharmaciens, of 45, rue de Caumartin, 75441 Paris Cedex 9, France;
- OFI Asset Management, of 22, rue Vernier, 75017 Paris, France; and
- Mirova, of 59, avenue Pierre Mendès France, 75013, Paris, France.

At its meeting on 6 April 2021, the Board of Directors included the following item (without resolution) on the agenda for the shareholders' meeting to be held on 29 April 2021, subject to the shareholders requesting its inclusion on the agenda sending in certificates evidencing the registration of shares 2 business days before the meeting, as required by legal provisions:

#### ***Agenda item (without resolution submitted to the shareholders' vote)***

*“Every director currently in office, or whose renewal of office is submitted to the vote at this Shareholders' Meeting, is asked to present to the shareholders:*

- *his or her strategic vision for the group and in particular his or her opinion on the Local First plan and its developments in economic and social terms;*
- *his or her position on maintaining the status of “Entreprise à Mission” (purpose-driven company);*
- *his or her approach to environmental matters and concerning the resources to be deployed to enable the group to achieve the goals set out in the 2015 Paris Agreement;*
- *his or her opinions on the organisation of the Company's governance, and more specifically on the continuing necessity to separate management powers.”*

#### ***Argument of the shareholders requesting the inclusion of this item on the agenda***

*“The recent governance crisis at Danone has highlighted both the dysfunctions in terms of form and the disagreements in terms of substance that exist within the Company's Board of Directors.*

*Formally, the deliberations of the Board of Directors have been leaked and repeated in public, in breach of the legal rules (Article L. 225-37 of the Commercial Code), increasing the pressure on all the Company's stakeholders.*

*As for the substantive issues revealed by this crisis, the Board of Directors, in voting on the departure of Mr Emmanuel Faber, then Chairman and Chief Executive Officer, showed its opposition to the way in which the strategy was being conducted by him, but it also appeared to show opposition to the strategy itself, although it is the Board's responsibility to preside over the management of that strategy for which it also shares responsibility.*

*For this reason, it is proposed to the shareholders, in accordance with the legal provisions in force, to include an item on the agenda for this Shareholders' Meeting, allowing each director to state his or her strategic vision for the group, in particular covering his or her personal contribution in terms of environmental issues and his or her approach to the organisation of balanced governance."*

### **Comments of the Board of Directors**

As a preliminary point, the Board of Directors, which is committed to the principle of collegiality, points out that this rule in principle prevents the directors from taking individual positions in public and that the directors are naturally supportive of all the decisions taken by the Board of Directors, whether or not they seek renewal of their term of office this year.

It should therefore be noted that:

- as indicated in the letter dated 17 March 2021 sent by the Chairman of the Board of Directors to the shareholders (and published on the Internet website of the company<sup>1</sup>), the Board supports the *Local First* reorganization project, which aims at accelerating the Company's growth and adapting its organisation to the needs of consumers; of course, the Board will carefully oversee the plan's implementation and will ensure that its stakeholders are respected;
- the Board's commitment to the "*Entreprise à Mission*" status, adopted by the Company's Extraordinary Shareholders' Meeting on June 26, 2020, has never been called into question. The Board is convinced of the necessity to combine a high level of economic performance and the respect for Danone's unique model of "*Entreprise à Mission*" (purpose-driven company), built on the strength of its portfolio of brands and the outstanding quality of its teams; the first report of the Mission Committee will be presented to the shareholders at the Shareholders' Meeting of April 29, 2021 by the Chair of the Mission Committee, Mr Pascal Lamy;
- in terms of environmental objectives, Danone has been committed, since 2015, to achieving carbon neutrality throughout its value chain by 2050, that is to say in its direct scopes 1 and 2, but also 3 (which are the indirect emissions of suppliers and consumers and represent about 95% of Danone's total greenhouse gas emissions, 60% of them from agriculture). In 2017, its ambition to reduce greenhouse gas emissions was recognised by the Science-Based Targets (SBT) initiative as in line with the objective of keeping global warming below 2 degrees. In 2019, Danone committed to go further still and to define targets in line with a 1.5-degree climate scenario. The current situation has not changed Danone's ambition or its ability to achieve its objectives, and it is currently constructing those new objectives with the SBT initiative;
- with regard to governance, the Board of Directors adopted the separation of the functions of Chairman and of Chief Executive Officer and the principle of an independent non-executive chair role on 14 March 2021, and it was decided to appoint Mr Gilles Schnepf, an independent director, as Chairman of the Board of Directors. The Board decided that this mode of governance was the most suitable for the Company and the process of recruitment of a Chief Executive Officer will have no impact on the separation of the functions of Chairman and of Chief Executive Officer. The Board has embarked on a more global review relating to the evolution of its composition.

Given the current health context, the Company's Shareholders' Meeting will be held behind closed doors without shareholders being present. The Board of Directors will answer this item; in addition, Danone will continue to engage in dialogue with its shareholders.

The Meeting will be webcast live and recorded for later viewing, in French and English, on the following address: [www.danone.com](http://www.danone.com) ("Shareholders / Shareholders' meeting" section).

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<sup>1</sup> [https://www.danone.com/content/dam/danone-corp/danone-com/investors/en-shareholders-letters/2021/Chairman\\_Letter\\_to\\_Shareholders\\_160321.pdf](https://www.danone.com/content/dam/danone-corp/danone-com/investors/en-shareholders-letters/2021/Chairman_Letter_to_Shareholders_160321.pdf)