



Paris, March 17, 2021

Dear Shareholders,

The last few months have been particularly challenging for Danone, resulting in many changes for the company. The Board has been listening to your concerns and took action: the Chairman and CEO roles have been permanently split on March 1 and a change in leadership has been initiated on March 15.

As a result, I have been appointed as independent and non-executive Chairman of the Board and a new CEO will be recruited externally. In the interim, Véronique Penchienati-Bosetta and Shane Grant will jointly lead the business. They have the full support of the Board to run the Company and bring it back to profitable growth as we await the new CEO's arrival. Our priority here is to ensure that operations continue uninterrupted and maintain stability within the business.

I am truly honored to chair Danone's Board. My priority as Chairman is to lead the company's transition to a new, strengthened governance framework to help accelerate value creation for you, our shareholders, and all of our stakeholders.

CEO succession process

The Board will oversee a robust process to appoint a new CEO. To this end, an international executive search firm has already been hired to conduct an extensive review of suitable external candidates. The Board is moving forward quickly, with a search process which will be robust and exhaustive. It is critical that the Board selects a globally respected CEO who is ready to take charge from day one, assess the state of the business and begin implementing initiatives very quickly.

The Governance committee, led by Jean-Michel Severino, will manage the day-to-day process.

Danone's vision for responsible business and Local First plan

We remain committed to bringing health through food to as many people as possible as an *Entreprise à Mission*, and I want to thank the Board, the management team and our employees and social partners who continuously contribute to this aim. It is the essence of Danone's competitive edge.

On Local First, the Board reaffirms its support to the plan. It will make Danone stronger, enable us to accelerate growth and value creation and better meet consumer and customer needs in each country where we operate. It will also unlock significant resources to be reinvested into our brands and commercial plans. We want to make clear this is an organizational framework only, leaving the incoming CEO all the latitude to design and execute his or her strategy for the

Company, including, but not limited to, capital allocation and investment decisions and any changes to the business portfolio. We will pay careful attention to executing the plan without disruption to the business. This is especially the case for our Specialized Nutrition operations, that will be preserved from any disruption thanks to dedicated resources, both globally and locally.

Board composition

Beyond these short-term priorities, the Board will fully evaluate its composition as we transition to a new, strengthened, governance framework. Taking into account the future needs of the company, we will be focused on ensuring the Board has the right blend of capabilities, perspectives, and experiences. This progress towards a new and strengthened governance will include reducing the number of Board members and ensuring we have both FMCG experience and increased independence in the Board.

For this reason, we will be pausing and reconsidering any immediate refreshment to the Board, including previously announced Director candidates – Ariane Gorin and Susan Roberts. We will use the next few months to clarify the needs of the Board and to develop a mid-term refreshment plan.

Danone has strong foundations, a unique portfolio of quality brands aligned with consumer food trends, and deep environmental and social commitments. The Board is determined to ensure all these assets are leveraged effectively to accelerate value creation for shareholders and all stakeholders.

As we have always, we value constructive dialogue with all of our shareholders, and I look forward to continuing to engage with you in my new role.

Regards,
Gilles Schnepf

A handwritten signature in blue ink, appearing to read 'G. Schnepf', with a double vertical line at the end.