

**WITH SEVERAL INVESTORS, PHITRUST  
FILES A RESOLUTION REGARDING GOVERNANCE  
AT DANONE'S SHAREHOLDERS MEETING ON APRIL 26, 2022**

**Phitrust, with 5 professional investors, submits a draft resolution to Danone's AGM on April 26.**

The governance crisis that Danone experienced between the end of 2020 and the beginning of 2021, led to the departure of the CEO and the separation of the executive functions.

During this period, its Board of Directors revealed several weaknesses and dysfunctions, as well as substantive disagreements. The inclusion of an item on the agenda of the 2021 General Meeting - proposed by Phitrust and four other professional investors - has highlighted the importance for shareholders of the Board's proper functioning.

To recover the confidence of its shareholders and all of the company's stakeholders after the revocation of Emmanuel Faber's mandate, the company's Chairman announced in July 2021, the progressive and total renewal of Danone's Board of Directors by the 2023 General Meeting. It was specified at the time that Franck Riboud would remain as Honorary Chairman but would not ask for the renewal of his mandate as director at the General Meeting of April 26, 2022.

An issue remains regarding the role of the Honorary Chairman of the Board. The Board's Internal Rules provide that the Honorary Chairman may attend each of its meetings. His role is therefore similar to that of a Censor, unelected by the shareholders, with the added impact of the influence conferred by his previous functions in the company.

To clarify and allow the new governance of Danone to be fully deployed, Phitrust, together with several investors, has therefore included on the agenda of the Annual General Meeting of April 26, 2022, a draft resolution concerning a modification regarding the role of the Honorary Chairman by including in the bylaws the conditions of his presence on the Board.

We have noted the addendum to the notice of meeting published by the Board of Directors of Danone on March 25, following the filing of this resolution. We would like to make two points in response:

- The subject of the systematic presence of the Honorary Chairman of Danone at Board meetings was indeed raised in the letter we sent to the Chairman of the Board on 6 December 2021. We did not receive a response on this specific point. We then requested a meeting prior to the AGM, which Danone offered us at a date after the legal deadline for submitting resolutions.
- Currently in the Board's Internal Rules, the Honorary Chairman not elected by the shareholders (which will be the case of Mr Franck Riboud as of the April 2022 AGM), can attend all the meetings of the Board of Directors. This raises a question of Board governance. We therefore propose to include in the bylaws the right for the Board to appoint an Honorary Chairman (not stipulated in the current bylaws), and for its Chairman to invite him if he thinks it appropriate. This proposed amendment would formalise the existence and role of the Honorary Chairman in the bylaws.

**Shareholders are therefore invited to vote in favor of this resolution requesting at the General Meeting of April 26, 2022 a statutory modification of the role of the Honorary Chairman.**