



Press release – Paris, June 26, 2020

## Annual General Meeting of June 26, 2020

### Shareholders unanimously vote for Danone to become the first listed 'Entreprise à Mission'

With the support of more than 99% of its shareholders at its Annual General Meeting, Danone became today the first listed company to adopt the "Entreprise à Mission" model. Now officially embedding in its articles of association a purpose and social, societal and environmental objectives that reflect its conviction that the health of people and the preservation of the planet are interdependent, Danone is taking a new step in the pursuit of a model of sustainable value creation for all its stakeholders.

Progress towards these objectives will be overseen by an independent Mission Committee of ten members, whose names were announced at the Annual General Meeting; it is comprised of eight highly qualified experts mainly from international organizations (Sharan Burrow, Ngozi Okonjo-Iweala, Pascal Lamy, Rose Marcario, Hiromichi Mizuno, David Nabarro, Gabriela Ilian Ramos, Rajiv Shah) as well as one independent Director (Guido Barilla) and one employee (Emna Lahmer). Their respective biographies are available in the appendix to this press release.



Guido  
Barilla

Sharan  
Burrow

N.Okonjo  
Iweala

Emna  
Lahmer

Pascal  
Lamy

Rose  
Marcario

Hiromichi  
Mizuno

David  
Nabarro

Gabriela  
Ilian Ramos

Rajiv  
Shah

#### Emmanuel Faber, Chairman and CEO, said:

*"At a time where companies are undisputably showing every day their contribution to society as a whole, and with the imperative of collective action, I am thrilled that all our shareholders decided that Danone would become today the first listed Entreprise à Mission. I am convinced that the more our business demonstrates that it is working for all its stakeholders, the more it will create value and be recognized for that.*

*My sincere personal gratefulness goes to each of the members of the newly appointed Mission Committee for having accepted to bring their expertise to oversee and guide our company's progress towards its social, societal and environmental agenda. Never before has this been attempted at the scale at which we are going to do this together.*

*And finally and foremost a huge thank you to all our shareholders, including the dozens of thousands of my Danone colleagues, who are all also shareholders and voted today, as much as our individual shareholders and our largest institutional shareholders, together, for their unanimous support. You broke a taboo today. And your decision is already a precedent. We are humbled by your trust over the long*

*term in our ambition to build the most attractive food and beverage platform of the space, as we strive to be ahead of our times to meet the expectations of our brands communities and users, civil society at large and the business challenges of this century”.*

The shareholders' meeting, which was held exceptionally in closed session given the current health context and to which 63.5% of Danone's total outstanding share capital was represented, has approved all other resolutions submitted to a vote.

Shareholders set the dividend for the 2019 fiscal year at €2.10 per share. The shares will go ex-dividend on July 14<sup>th</sup> and the dividend will be paid with effect from July 16<sup>th</sup>. They also approved all proposed renewals of terms of office of the members of the Board of Directors for a three-year period: Gregg Engles, Gaëlle Olivier, Isabelle Seillier, Jean-Michel Severino, and Lionel Zinsou-Derlin.

On this occasion, an update on the operational and financial situation of Danone to date was shared. After China at the beginning of the year followed by Europe and North America in March, some other countries have seen since April a deterioration in their health and economic situations, notably in Latin America, Indonesia and Africa, impacted by the closure of proximity stores and the lockdown of consumers. In Europe and North America, sales are slowing down given the combined impact of the destocking of the pantry loading made at the end of the first quarter, notably in Specialized Nutrition, and the full effect on the second quarter of the closure of out-of-home channels where sales are down by around -50% and to which is particularly exposed the Waters business. Waters sales at company level are therefore expected to decline by around -30% in the second quarter.

The direct extra-costs incurred to ensure business continuity, estimated at around €100 million in the first semester (sanitary, industrial and logistics extra-costs directly linked with COVID-19 pandemic), will impact the recurring operating margin of the first semester. Actions to preserve cash continue and the two €800 million bonds issued in the semester at attractive rates have allowed to further strengthen the balance sheet and the liquidity position of the company. More information will be provided when first-half year results are published on July 30<sup>th</sup>, 2020.

Danone's medium and long-term outlook remains robust and the COVID-19 pandemic enhances the relevance of its health-focused categories, localized food supply chain and regenerative agriculture strategies.

The presentation made during the AGM is available on Danone's corporate website ([www.danone.com](http://www.danone.com)) where an overview of the voting results and a video webcast of the full meeting will be available from tonight.

## **Members of the Mission Committee**

### **Guido BARILLA**

Mr. Guido Barilla is currently Chairman of the Board of Directors of Barilla where he had overseen the international expansion for several years. He serves since 2008 as an independent member at the Board of directors of Danone.

### **Sharan BURROW**

Ms. Sharan Burrow was the first woman at the role of General Secretary of the International Trade Union Confederation, which represents 200 million workers in 163 countries and territories and has 332 national affiliates, a position she has been serving since 2010. She is also the former President of the Australian Council of Trade Unions (ACTU, 2000–2010).

**Ngozi OKONJO-IWEALA**

Ms. Okonjo-Iweala is an economist and an expert in international development. Former Managing Director of the World Bank and Finance Minister of Nigeria (2003-06 and 2011-15), she is today the African Union special envoy for COVID-19 matters and Chair of the Global Alliance for Vaccines and Immunization.

**Emna LAHMER**

Ms. Emna Lahmer is an employee at Danone where she is currently stream leader for indirect purchasing. Between 2016 and 2019, she served as delegate from the works council at the Board of directors of Danone.

**Pascal LAMY**

Former Managing Director of the World Trade Organization from 2005 to 2013 and previously European Commissioner for Trade, Mr Lamy currently chairs the Paris Peace Forum and the World Council for Ethics of Tourism and coordinates the works of the Jacques Delors Institute in Paris, Berlin, Bruxelles. He also serves as Brunswick Europe Chair.

**Rose MARCARIO (Chair)**

Ms. Marcario spent 15 years in private equity before joining in 2008 the outdoor clothing company Patagonia where she served as Chief Financial Officer until 2013, and then as President and CEO between 2014 and 2020.

**Hirofumi MIZUNO**

Mr. Mizuno currently serves on the board of PRI (Principles for Responsible Investment) and as Special Adviser to the Japanese government on green innovation and finance. Until recently he was Executive Managing Director and CIO of the Japan Government Pension Investment Fund. On April 2020, he joined the Board of directors of Tesla. He is a member of CFA Institute Future of Finance advisory council and WEF Global Future Council. He serves as visiting fellow of Harvard, Oxford Saïd and Cambridge Judge business schools.

**David NABARRO**

Mr. David Nabarro is a medical doctor who has worked as an international civil servant and a diplomat. He is now Strategic Director of 4SD, a social enterprise based in Switzerland and Co-Director of the Institute of Global Health Innovation at Imperial College in the UK. He previously served as special adviser to the Secretary-General of the United Nations on the 2030 Agenda for Sustainable Development and Climate Change.

**Gabriela Ilian RAMOS**

As of July 1<sup>st</sup> 2020, Ms. Gabriela Ramos will serve as UNESCO Assistant Director General in charge of Social and Human Sciences. She currently serves as OECD Chief of Staff and Sherpa to the G20, in charge for the contributions of the OECD to the global agenda, including to the G20, G7, and APEC. She was also in charge of the Inclusive Growth agenda, and in 2019, contributed to the launch of the Business for Inclusive Growth (B4IG) platform, endorsed by the French G7 Presidency.

**Rajiv SHAH**

Mr. Rajiv Shah is a former American government official, physician and health economist. He currently serves as President of the Rockefeller Foundation. He was previously the 16<sup>th</sup> Administrator of the United States Agency for International Development (USAID) between 2010 and 2015.

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**FORWARD-LOOKING STATEMENTS**

*This press release contains certain forward-looking statements concerning Danone. In some cases, you can identify these forward-looking statements by forward-looking words, such as "estimate", "expect", "anticipate", "project",*

*“plan”, “intend”, “objective”, “believe”, “forecast”, “guidance”, “foresee”, “likely”, “may”, “should”, “goal”, “target”, “might”, “will”, “could”, “predict”, “continue”, “convinced” and “confident,” the negative or plural of these words and other comparable terminology. Forward looking statements in this document include, but are not limited to, predictions of future activities, operations, direction, performance and results of Danone.*

*Although Danone believes its expectations are based on reasonable assumptions, these forward-looking statements are subject to numerous risks and uncertainties, which could cause actual results to differ materially from those anticipated in these forward-looking statements. For a detailed description of these risks and uncertainties, please refer to the “Risk Factor” section of Danone’s Universal Registration Document (the current version of which is available on [www.danone.com](http://www.danone.com)).*

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