



February 24, 2021

Dear Valued Partner,

On behalf of ROYAL CANIN®, I am writing to apologize for the ongoing service challenges you have been experiencing. I recognize that our levels of service, especially in recent weeks, have been extremely disappointing. I deeply regret the impact this has had on you, your business, your staff, the customers you serve and ultimately on the pets we are so privileged to feed. Our partnership has been built on a shared mission to provide our pets and our pet owners with the best possible nutrition.

We also recognize that this is happening at a time when a broader crisis is putting additional strain on all of us. Our business has experienced an accelerated demand over the past year and despite our efforts to ramp up capacity, we know we are not meeting your expectations. I want to share the immediate actions we are taking and be fully transparent on what we can and what we can't deliver at this time.

My main priority is to restore our safety stock levels so that you can start to see improvements on product availability, and we can begin to earn your trust again. In order to do that, I have made the very difficult decision to restrict the portfolio of products we are going to produce over the next 12 weeks and to prioritize inventory levels of those diets most critical to the health of cats and dogs. After this 12-week phase, we will reevaluate our plan. In parallel, we are continuing to invest in our manufacturing capacity by accelerating our capital investment in projects that will allow for increased production across the region, including current projects underway in North Sioux City, SD, and Lebanon, TN. Additional investments will be made and announced in the coming weeks.

We share your pain, and as we navigate this challenge my team remains available to answer any questions that you may have.

We will continue to share regular updates with you, and we are fully committed to improving this current situation. Thank you for being candid and direct with us. We live and breathe to make a better world for pets in partnership with you, and we remain focused on addressing these challenges.

Sincerely,

A handwritten signature in black ink, appearing to read "CC", with a long horizontal flourish extending to the right.

Cecile Coutens
President, Royal Canin North America