PROMISE REPORT 2024

Table of Contents

Statement from our CEO 3

Saputo at a Glance 4

About this Report 6

- Materiality 6
- Basis for Reporting 7
- External Assurance 7

Our Approach 8

- Strategy 8
- Governance 9

Our FY24 Performance 11

- Summary of our Progress 12

Performance by Pillar 14

- Food Quality and Safety 14
- Our People 15
- Business Ethics 20
- Responsible Sourcing 22
- Environment 28
- Nutrition 37
- Community 38

Performance Data Summary 40

SASB Index 44

Statement from our CEO

Our Saputo Promise drives our actions to nourish, protect, and support our communities, and keeps us accountable to all our stakeholders. In fiscal 2024 (FY24), we continued our efforts across our seven Pillars, and as we enter the last year of our current three-year plan (FY23-FY25), we can be proud of our wins and build on our momentum to do more.

We made strides towards our 2025 Environmental Pledges by completing 19 additional capital projects designed to reduce our carbon, energy, water, and waste footprint, bringing total projects completed to 48. As our renewable electricity initiatives continued to impact our global network, our carbon intensity decreased both year-over-year and compared to our fiscal 2020 (FY20) baseline, progressing towards our fiscal 2025 (FY25) target. Reflecting our focus on renewable energy, we entered into a long-term virtual power purchase agreement (VPPA) with Capital Power. Subject to final regulatory approvals and once operational, the portion of the wind facility contracted by Saputo will generate 206,300 MWh of renewable electricity per year for us, reducing our CO_2 emissions by more than 140,000 tonnes. With our capital investments and network optimization efforts, we expect some of these gains to be better reflected in our future carbon, energy, and water intensity performance.

In FY24, we furthered our climate commitment by submitting our intent to set science-based targets as defined by the Science-Based Target Initiative (SBTi). We anticipate our post-FY25 climate targets to be validated by the SBTi. Our teams are deeply dedicated to implementing our climate roadmap through actions that build resilience by adapting our business processes to respond to climate risks and opportunities.

Launched in fiscal 2023 (FY23), our Sustainable Agriculture Policy outlines our sustainability standards to ensure the responsible production of dairy ingredients. In FY24, we continued to engage with our milk producers to communicate these standards and intend to have them fully implemented throughout our supply chain by 2025.

We also furthered our commitment to sustainable farming practices by funding several projects. In partnership with Dairy Australia, we invested to support Australian farmers in implementing sustainable plans for their operations. In the UK and the US, we funded initiatives with our patron farmers to define their GHG emissions baselines and identify opportunities to reduce them through more efficient farming practices. These projects will serve as a model for similar rollouts in Canada and Argentina.

A key pillar of the Saputo Promise, we continued to make significant investments in our people. Our relentless focus on employee retention – evidenced by the improvement of our onboarding process and achievement recognition program, as well as our competitive working conditions – has led to lower turnover and absenteeism in many of our facilities. When it comes to Diversity, Equity, and Inclusion, advancing gender balance and building a stronger and more diverse talent pipeline are also directly linked to our success. I am proud that Saputo was recognized as one of the World's Top Companies for Women by Forbes magazine for a second consecutive year. Also under the People Pillar, we continued to focus our global well-being strategy around four priority areas: work, life, physical, and mental. As part of these efforts, during the fiscal year, we completed the deployment of our Mental Health First Aider Program across all our divisions.

At the heart of everything we do are the passionate, purposeful people who make us who we are. I want to thank our teams for their hard work, loyalty, and dedication. I am both grateful and proud that Saputo was named one of Canada's Top 100 Employers for 2024 by Mediacorp Canada Inc., recognizing our commitment to taking care of our people and empowering them to bring their best to the table each day. With their commitment to excellence in tow, I am convinced, we have the right infrastructure and the right talent in place to drive further momentum into fiscal 2025.

June 6, 2024

Lino A. Saputo, C.M.

Chair of the Board,
President and CEO
Saputo Inc.

Saputo at a Glance

One of the Top 10 Dairy Processors in the World

Leading positions in Canada, the USA, Australia, Argentina, and the UK.

Saputo also produces, markets, and distributes a range of dairy alternative products.

Canada

A leading cheese manufacturer and fluid milk and cream processor.

Argentina

Top dairy processor.

UK

Leading manufacturer of branded cheese and dairy spreads.

Australia

A leading dairy processor.

USA

One of the top three cheese producers and one of the largest producers of extended shelf-life and cultured dairy products.

Approx. **11 billion** litres of milk processed annually

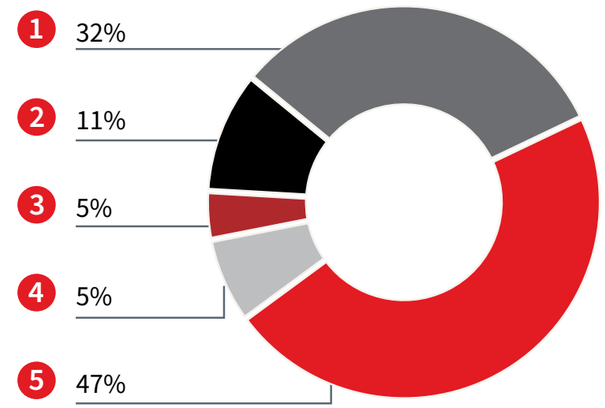
Approx. **19,600** employees

65 plants
67 distribution centres
3 innovation centres

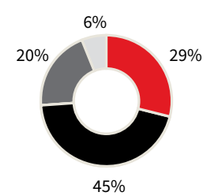
Products sold in over
60 countries

Our Product Portfolio [3]

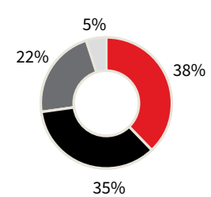
We manufacture, market, and distribute a diversified range of high-quality products.



NET EARNINGS [2]
$265 millions



REVENUES [2]
$17,342 millions



ADJUSTED EBITDA [1,2]
$1,509 millions

Canada USA International Europe

1 Dairy foods

Butter, spreads, cream, creamers, whipping cream, aerosols, ice cream mix, half-and-half, sour cream, cottage cheese, yogurt

2 Milk

Fluid milk, value-added milk, dairy beverages, aseptic dairy beverages, extended shelf-life products (ESL)

3 Non-dairy products

Dairy-free cheeses, dairy alternative beverages and creamers, oil, other products

4 By-products / Ingredients

Milk powder, whey powder, whey protein concentrates (WPC), demineralized whey, lactose, lactoferrin, infant formula, casein, galacto-oligosaccharides (GOS), dairy ingredient blends, other value-added dairy ingredients and nutritional products

5 Cheese (everyday and specialty)

Mozzarella, cheddar, goat cheese, blue cheese, ricotta, provolone, parmesan, romano, feta, havarti, brie, camembert, brick, colby, farmer, munster, monterey jack, fresh curd, processed cheeses, cream cheese

1 Adjusted EBITDA is a total of segments measure and does not have any standardized meaning under International Financial Reporting Standards (IFRS). Therefore, it is unlikely to be comparable to similar measures presented by other issuers. Refer to the section entitled "Non-GAAP measures" of our Management's Discussion and Analysis for the fiscal year ended March 31, 2024, for more information on this measure, including a reconciliation to net earnings being the most directly comparable IFRS financial measure.

2 For the fiscal year ended March 31, 2024.

3 Percentage of consolidated revenues generated by these products for the year ended March 31, 2024.

About this Report

The Saputo Promise is our approach to social, environmental, and economic performance which guides our everyday actions to ensure we live up to the values on which our Company was founded in 1954. As we pursue growth, we aim to create shared value for all our stakeholders and ensure the long-term sustainability of our business while building a healthier future through our passion for quality food.

The Saputo Promise consists of seven Pillars which drive our actions to nourish, protect, and support the communities we call home: Food Quality and Safety, Our People, Business Ethics, Responsible Sourcing, Environment, Nutrition, and Community.

Recognizing the importance of being accountable to our stakeholders, our goal is to communicate our Promise to our investors and partners and be transparent about our progress in managing key environmental, social, and governance (ESG) aspects material to our business.

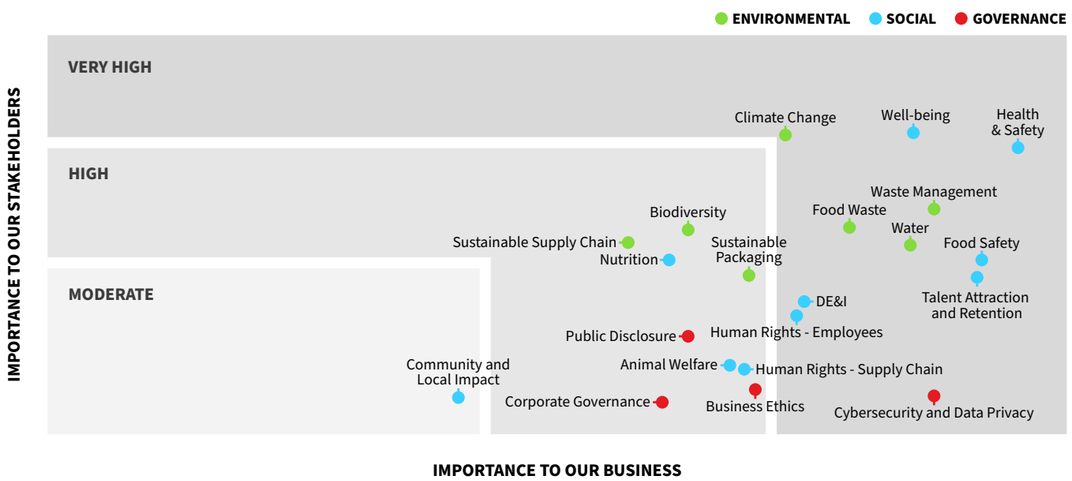
Materiality

We undertook a materiality assessment in fiscal 2022 (FY22) to identify, refresh, and validate the key ESG topics impacting our business. The results were used to inform our current Saputo Promise three-year plan (FY23-FY25) and our external disclosures.

Our materiality assessment process involved four stages:

1. **IDENTIFICATION:** Identify potentially relevant ESG factors based on ESG industry frameworks, consumer research, industry insights, benchmarking, customers surveys, and investors rating and standards.
2. **PRIORITIZATION:** Assess the level of materiality and prioritize the issues based on our business context and survey with our senior leadership teams across all our divisions.
3. **VALIDATION:** Validate scoring through interviews with key internal stakeholders involved in the Saputo Promise.
4. **APPLICATION:** Use the results to review the Saputo Promise and inform our three-year plan and external disclosures.

Following the process outlined above, key ESG factors were categorized based on their degree of materiality to our stakeholders and their potential to impact our business. A summary of the most important factors is outlined in the table below.



As we enter the last year of our current three-year plan, we intend to refresh our materiality matrix in FY25 to inform our future strategy.

The main risks and uncertainties we are exposed to, including ESG risks, are presented in our Management's Discussion and Analysis dated June 6, 2024, available at **saputo.com/en/investors/shareholder-reports/2024**.

Disclosure in this report is aligned with the Sustainability Accounting Standards Board's (SASB) Standards for the Processed Foods industry. The full SASB Index can be found on page 43. We have also aligned our disclosure on climate-related risks with the recommendations provided by the **Task Force on Climate-related Financial Disclosures (TCFD)**. As ESG disclosure frameworks continue to evolve, we are constantly reviewing our disclosure approach to ensure we remain aligned with our investors' expectations . With the recent release of the International Sustainability Standards Board (ISSB) inaugural standards—IFRS S1 and IFRS S2— we started preparing for the expected incorporation of these standards into the Canadian regulatory framework.

Basis for Reporting

All data presented in this report are prepared for the reporting period of April 1, 2023, to March 31, 2024, unless stated otherwise. For further details on the compilation of the data presented, please refer to the document titled *Saputo Promise - Basis for reporting 2024* available on **saputo.com/our-promise/reference-documents**.

All amounts in this report are in Canadian dollars, unless otherwise indicated.

External Assurance

KPMG LLP performed a limited assurance engagement on some of the FY24 environmental data presented in this report. These data have been identified with the following symbol (√) throughout the report.

The assurance statement can be found on our website on **saputo.com/our-promise/reference-documents**.

We were identified by the World Benchmarking Alliance (WBA) as one of the 2,000 most influential companies when it comes to the impact on the **United Nations' Sustainable Development Goals (SDGs)**, which can be found here: **sdgs.un.org/goals**. Throughout this Report, we have indicated where our Pillars and business activities align with the SDGs identified by the WBA.

Our Approach

Strategy

The Saputo Promise is an integral part of our business and a key component of our growth. As we seek to create shared value for all our stakeholders, it provides a framework that ensures we manage ESG risks and opportunities successfully across our operations globally.

With a clear ESG framework and governance, our focus is on the execution of our Saputo Promise three-year plan (FY23-FY25). Built with our growth strategy in mind, our FY23-FY25 plan ensures that our Promise continues to drive, enable, and sustain our growth.

The Saputo Promise
PROTECT • SUPPORT • NOURISH

CASE STUDY: Bringing our Promise to life

In September 2023, 489 of our leaders met in person for our first Saputo Convention since the global outbreak of the COVID-19 pandemic. The three-day event featured presentations, panels, and discussions centred around the seven Pillars of our Promise. Our Convention was a reminder to all that our culture and values continue to shape our decision-making, how we treat each other, and the way we always aim to do the right thing because it's the right thing to do. The event was also a testament to the importance of fostering long-term success, and how we strive to include all voices so we can thrive collectively.

Governance

Our Board of Directors (the "Board") is responsible for the stewardship of Saputo. As such, it oversees the management of our business to enhance the creation of long-term shareholder value while considering the interests of all our stakeholders, including shareholders, employees, customers, suppliers, business partners, and the communities where we operate.

In order to better fulfill its mandate, the Board:

- Oversees the ESG factors and risks material to our business and the deployment of appropriate measures to manage them;
- Oversees our practices, guidelines, and policies related to the Saputo Promise.

The Board delegates some of the ESG-related responsibilities as follows:

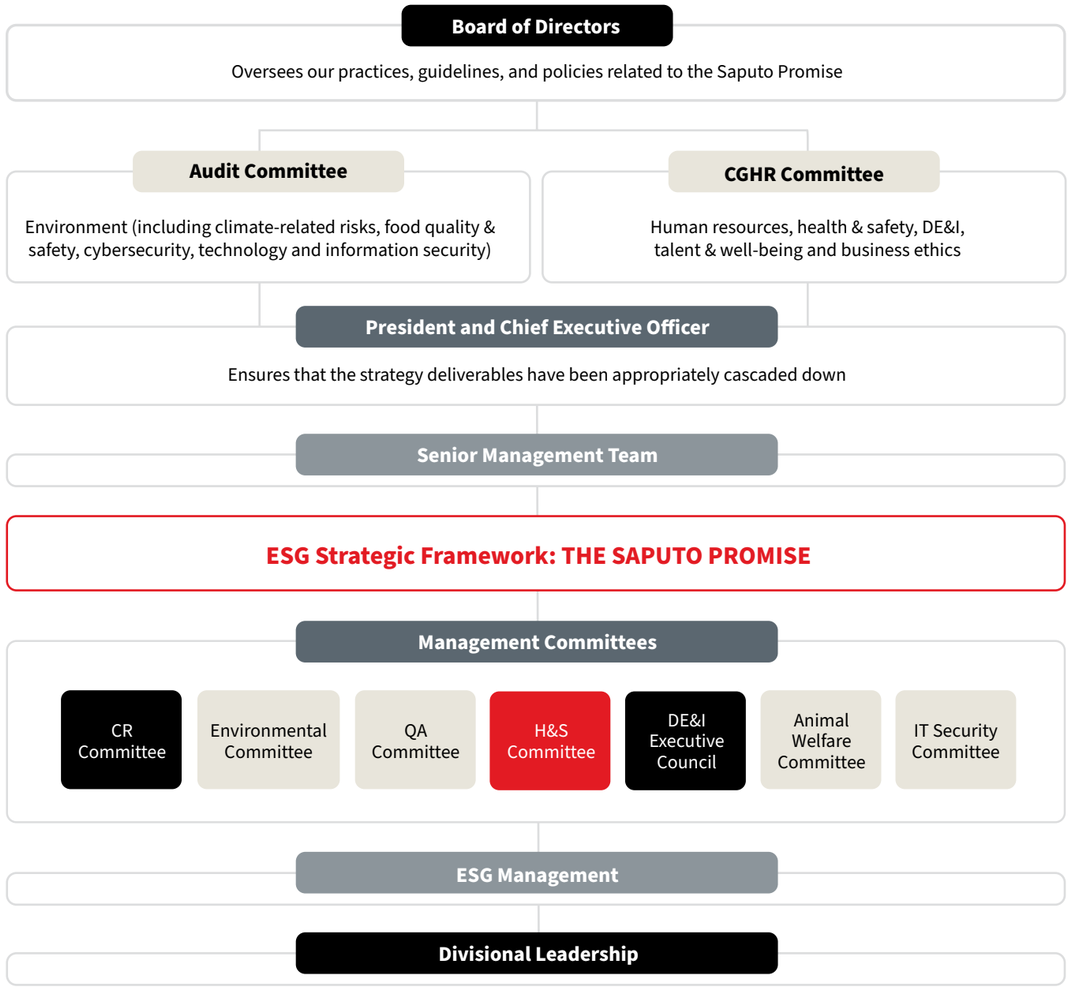
- The Audit Committee oversees risk management, including ESG risks such as environmental matter, including climate-related risks, food quality and safety, and cybersecurity, technology and information security. Information on the risk management process can be found in our Management's Discussion and Analysis, our Management Information Circular, and our Annual Information Form, all dated June 6, 2024, and available at saputo.com/en/investors/shareholder-reports/2024.
- The Corporate Governance and Human Resources ("CGHR") Committee oversees business ethics, human resources risks; health and safety, diversity, equity, and inclusion, talent and well-being.

The management responsibility of the Saputo Promise and its Pillars falls under the following committees:

- The **Corporate Responsibility ("CR") Committee** oversees the overall strategy of the Saputo Promise and monitors progress for each of its seven Pillars;
- The **Environmental Committee** is responsible for overseeing the implementation of our Environmental Policy and the achievement of our environmental objectives globally across our operations;
- The **Quality Assurance ("QA") Committee** provides global governance to ensure high food quality and safety standards and that our Food Quality and Safety Policy is upheld consistently across our operations;
- The **Health and Safety ("H&S") Committee** is responsible for aligning and ensuring adherence to best practices across our divisions as it relates to health and safety;
- The **Diversity, Equity, and Inclusion ("DE&I") Executive Council** is designed to promote a diverse and inclusive work environment;
- The **Animal Welfare Committee** oversees efforts and initiatives to ensure supplier compliance with codes of practice or recognized animal care standards and monitors animal welfare best practices; and
- The **Information Technology ("IT") Security Committee** oversees the management of our key cybersecurity programs and the risks and measures put in place to protect the confidentiality, integrity, and availability of our data.

These different Management Committees ensure that the appropriate business practices are implemented across our operations to effectively manage the ESG risks and opportunities under their mandate. Our divisional leadership ensures the execution and operationalization of these practices.

For additional information on governance, please refer to our Management Information Circular, dated June 6, 2024, and available at saputo.com/en/investors/shareholder-reports/2024.



- Overseen by the Board
- Overseen by the Audit Committee
- Overseen by the Corporate Governance and Human Resources Committee

OUR FY24 PERFORMANCE

Summary of our Progress

Good progress · Some progress · Goal not met

PILLAR	THREE-YEAR GOALS (FY23-FY25)	FY24 PERFORMANCE	COMMENTS
Food Quality and Safety	**Improve** our **Food Quality and Safety** performance by developing our food safety culture, global standards and training, and infrastructures.	Good progress	In FY24, we continued to progress on our three-year goals by aligning on a standardized way to grow and measure our food safety culture globally. 100% of our facilities were certified to GFSI standards and maintained high scores – achieving either Good or Excellent audit ratings. In FY24, there was zero voluntarvy recalls of products we manufactured and/or distributed.
Our People	**Improve** our workplace **diversity**, gender representation, and **inclusion** to enhance high performing and innovative teams.	Some progress	We made significant improvements in the representation of women at the senior levels between FY20 and FY23, from 16 to 25%, and stayed steady in FY24, reaching 24%. We are currently undertaking further analysis to identify future areas of focus and to review the timing to reach our 30% target.
	Increase **talent** attraction, retention, and engagement through an integrated talent strategy.	Good progress	We continued to invest significant efforts to retain our employees by focusing on improving our Onboarding program, leveraging Saputo Connect (our performance management process), recognizing our employees' contributions, and ensuring our working conditions remain competitive. As a results, in FY24, we significantly improved our ability to retain talent with our global turnover back to our pre-pandemic level at 19%, compared to 23% in FY23.
	Improve our **well-being** offer by developing a holistic program that is aligned to employee needs.	Good progress	Following the consolidation of all our well-being related initiatives under our global strategy "Feed Your Life" last year, we continued to focus on this strategy and its four priority areas — work, life, physical, and mental — in FY24. We continued our efforts to meet ten key goals, which range from offering a Mental Health First Aider program, to providing sleep support and volunteering time-off opportunities to our employees.
	Improve our **health & safety** capacity by engaging our employees to understand how work is done, leveraging our safety principles, and ensuring our systems are safe by design.	Good progress	Throughout FY24, we remained focused on executing our three-year goal to improve our health and safety (H&S) capacity by engaging our employees, leveraging Human and Organizational Performance (HOP) principles, and ensuring our systems are safe by design. In FY24, we were pleased to see our lagging indicators improved with our Total Injury Frequency Rate (TIFR) improving by 9% and our Lost Time Injury Frequency Rate (LTIFR) improving by 11%, compared to FY23.
Business Ethics	**Improve** our **cybersecurity** resilience by ensuring our systems are up-to-date and secured and our employees are empowered to recognize and protect digital assets from cyber threats.	Good progress	Our cybersecurity risk management strategy has been designed using enterprise risk considerations and aligning with industry standards such as the National Institute of Standards and Technology. We regularly evaluate and adjust our cybersecurity risk management strategy based on various considerations, including risk assessments, continuous monitoring, and periodic independent cybersecurity maturity evaluations. To our knowledge, we have not experienced a material information security breach within the last four fiscal years on Saputo core systems or network infrastructure.
	Reduce our regulatory and reputational risks related to **data privacy** across our operations by developing a global approach.	Good progress	The confidentiality and privacy of our customers and employees, as well as the protection of information systems, are key principles in our Code of Ethics, and an important focus area for our FY23-FY25 Saputo Promise plan. In FY23, we appointed a Global Privacy Officer to ensure compliance and oversee current and future privacy initiatives with work progressing as per planned in FY24.

PILLAR	THREE-YEAR GOALS (FY23-FY25)	FY24 PERFORMANCE	COMMENTS
Business Ethics	**Improve** ESG **disclosure** to meet evolving investors' expectations and regulatory requirements.	Good progress	As ESG disclosure frameworks continue to evolve, we are constantly reviewing our disclosure approach to ensure we remain aligned with our investors' expectations. With the recent release of the International Sustainability Standards Board (ISSB) inaugural standards — IFRS S1 and IFRS S2 — we started preparing for the expected incorporation of these standards into the Canadian regulatory framework. In FY24, we aligned the timing of our ESG disclosure with that of our financial statements .
Responsible Sourcing	**Improve** **animal welfare** by advocating for appropriate animal care standards, proactively managing our animal welfare risks, and contributing to the advancement of best practices.	Good progress	In FY24, 100% of our direct milk supply complied with the requirements of our Animal Welfare Policy. We have zero tolerance for animal cruelty and have established a clear protocol to work with suppliers and authorities to effectively deal with situations where a breach of our Animal Welfare Policy is suspected. In FY24, one supplier was suspended under our animal cruelty protocol globally. Our specific reintegration criteria were followed, and we have resumed receiving milk from the supplier.
	Improve **the resilience and sustainability of our supply chain**, working in partnership with our farmers, suppliers, community, and industry partners to deliver on our 2025 Supply Chain Pledges.	Good progress	Following last year's launch of our global Sustainable Agriculture Policy, which defines the sustainability standards we want to achieve in partnership with our producers and milk suppliers to ensure the responsible production of dairy ingredients, we continued the implementation of these standards throughout our supply chain in FY24, with the view to have them fully implemented by the end of 2025. In FY24, we also funded initiatives in the UK, Australia, and the USA to support the capacity building of dairy farmers around sustainable farming practices.
Environment	**Reduce** our **environmental** impacts by delivering on our 2025 Environmental Pledges.	Some progress	We continued our efforts towards our 2025 Environmental Pledges through capital investments and renewable energy contracts, resulting in the improvement of our carbon intensity by 18% in FY24 compared to our FY20 baseline. This means we are on track to achieve our FY25 target. Our energy intensity started to show improvement and reached a 4% improvement against our FY20 baseline. Our water intensity is showing a small incremental improvement compared to our FY20 baseline, but remains behind our expectations.
Nutrition	**Improve** the **nutritional quality and performance** of our global product portfolio to meet consumer needs.	Some progress	As of FY24, 82% of our products meet our NPM, with 9% meeting our Level 1 criteria, being dairy foods and beverages recommended by nutrition experts to support a healthy diet. These numbers are the same as the last two years and despite our efforts, fall short of our initial objective to achieve 84% by FY25. Some of this is explained by unexpected challenges in the marketplace, such as consumer acceptance of some reformulated products and lighter cheeses.
Community	**Improve** access to nourishing foods and active lifestyles in our **communities**.	Good progress	In FY24, our community investment reached over $7.9 million (calculated using the London Benchmarking Group Model), which is above our target of investing 1% of our annual pre-tax profits in communities where we operate.

Performance by Pillar

Food Quality and Safety

As a world-class dairy processor, we strive to raise the bar when it comes to food quality and safety. We endeavour to offer products made to the highest industry standards and create a food safety culture where everyone understands, owns, and leads food safety, while contributing to industry-wide knowledge and best practices.

These efforts are outlined in our **Food Quality and Safety Policy**, which formalizes our commitment to supplying our customers and consumers with safe and high-quality products. The achievement of this goal centres on:

- The highest food quality and safety standards;
- Continuous improvement; and
- A food quality and safety culture and resources.

Our QA Committee continued to provide global governance to ensure that our high standards were upheld consistently across our operations. In FY24, we progressed on our three-year goals by aligning on a standardized way to grow and measure our food safety culture globally. We reviewed our global competency and training needs, leveraged best practices from all our divisions to align on required food safety competencies, and identified the best training tools and approaches. We also continued to invest capital to address key infrastructure risks through our plants.

In FY24, 100% of our facilities were certified to GFSI standards, and all of them maintained our high scores with 100% of the certified facilities achieving a Good or Excellent audit rating.

Our commitment extends to our trusted partners. We share our food safety expectations with suppliers across our value chain, holding them to the same high standards. In FY24, 95% of our ingredients were sourced from third-party suppliers which were also GFSI-certified. In addition, we continued our audit program for our high-risk suppliers to ensure they meet our own food safety requirements.

We ensure systems are in place for tracing products and raw materials. Since we always put food safety first, we have robust contingency processes and precautionary measures in place, enabling us to take proactive and immediate action when necessary.

In FY24, there was zero voluntary recalls of products we manufactured and/or distributed.

METRIC	FY24	FY23	FY22	FY21	FY20
% of facilities certified to GFSI standards	100%	100%	100%	98%	98%
% of certified facilities with a Good or Excellent GFSI audit rating	100%	100%	100%	100%	100%
% of ingredients sourced from Tier 1 supplier facilities certified to GFSI	95%	97%	96%	96%	
Total number of notices for food safety violations received	0	1	4		
% of food safety violations corrected		100%	100%		
Number of recalls issued	0	3	2	2	

1 Global Food Safety Initiative (GFSI)

CASE STUDY: Bringing quality to the forefront

Our Dairy Division (USA) Quality Assurance Team reunited in February for a Quality Summit, marking the first in-person gathering since pre-pandemic times.

Together, plant Quality Assurance managers and Corporate teams aligned on strategies, shared insights on food safety, and discussed operational updates. We added a dash of fun with different teambuilding activities, giving us the opportunity to connect and celebrate our people's contributions to our food safety culture and Company's success.

Our People

At Saputo, our best comes from our people. That is why we care about the health and well-being of our employees and strive every day to provide the best possible work environment—one that is safe, diverse, equitable, inclusive, and values-driven.

Diversity, Equity, and Inclusion (DE&I)

DE&I shaped our culture and is part of who we are. We want everyone to feel included and respected for their unique perspectives, make meaningful contributions, and bring their authentic self to work every day. That is why we continue to promote an environment where employees feel supported, listened to, and able to do their personal best. Our objective is to provide equitable access to opportunities and a sense of belonging to all. This creates a better work environment and fosters individual and team growth. Our **Diversity, Equity, and Inclusion Policy** aims to set the guiding principles by which our decisions, actions, and behaviours will support the achievement of a diverse, equitable, and inclusive work environment.

Our DE&I Executive Council provides governance and oversight on our DE&I efforts, promotes company-wide communication on progress, and helps create strategic accountability for results. Through our DE&I initiatives, we aim to mitigate biases across all our processes, with a focus on our recruitment process to expand our pool of candidates and diversify our workforce, on better understanding how our employees experience life at Saputo, and on continuously reviewing our policies and procedures to provide equitable opportunities to all employees.

In FY23, we launched our Advancing Gender Balance at Saputo initiative, which sets our goal of increasing the representation of women to 30% at the senior levels (vice president and above). Following an in-depth analysis across all our divisions, we also identified areas of opportunities to increase the representation of women in certain functions and management levels. This will allow us to continue to build a stronger and more diverse talent pipeline.

We made significant improvements in the representation of women at the senior levels between FY20 and FY23, from 16 to 25%, and stayed steady in FY24, reaching 24%. We are currently undertaking further analysis to identify future areas of focus and to review the timing to reach our 30% target.

DE&I is also a key component of the nomination process for our Board of Directors. Supported by our **Board Diversity Policy**, we are proud to have a strong gender representation, with 55% of our Board members being women.

Among our most recent initiatives to promote DE&I, we:

- Established a shared global three-year strategy, supported by divisional strategies;
- Continued elevating employee voices by expanding our days of significance;
- Supported divisional Employee Resource Group (ERG) efforts in their expansion;
- Deployed employee feedback and listening strategies, including climate and culture assessments, engagement surveys, and focus groups;
- Achieved Women in Governance's Parity certification in our Dairy Division (Canada), Dairy Division (USA) and our Corporate Services;
- Held global DE&I panels with employees and senior leadership team members;
- Offered targeted development programs for women (sponsorship and leadership development);
- Rolled out mentoring programs, including reverse mentoring where our senior leaders are mentored by more junior employees;
- Earned external awards, including Forbes' World's Top Companies for Women and UK Grocery Aid Gold; and
- Created guidelines on inclusive recruitment practices.

While our efforts have been mainly concentrated on gender, our Diversity, Equity, and Inclusion Policy is robust and inclusive, and we plan to extend our efforts to other dimensions of diversity.

METRIC	FY24	FY23	FY22	FY21	FY20
% women in total workforce	29%	29%	28%	28%	28%
% women in senior management	24%	25%	25%	21%	16%
% women in senior management - C-suite	23%	20%	27%		
% women in senior management - VP and SVP	24%	25%	25%		
% women in managers roles (Director, Manager, Supervisor)	31%	29%	28%		
% women in individual contributor - all levels below Supervisors	28%	29%	29%		
% women in individual contributors - Professional roles	46%	46%	45%		
% women on Board of Directors	55%	60%	55%	50%	50%
% internal promotions awarded to women	36%	36%	33%	36%	34%

Talent & Well-being

We believe that our success is directly tied to the well-being of our employees. Our success also depends on our ability to identify, attract, and retain qualified individuals and to execute appropriate succession planning for Management and key personnel. The Board of Directors has delegated talent & well-being risk management oversight to the CGHR Committee.

We aim to provide a work environment that focuses on the overall well-being of employees, and where everyone feels they can thrive. We believe that offering such a work environment will also help us attract and retain top talent. These are key goals embedded in our Saputo Promise three-year plan and critical enablers of our growth, particularly within the context of a highly competitive labour market.

We strive to be an employer of choice for top talent, recognized for our values and our commitment to our employees. Our efforts were rewarded in FY24, when Saputo was recognized as one of Canada's Top 100 Employers by Mediacorp Canada Inc., the country's largest publisher of employment periodicals. This designation celebrates Canadian employers leading their industries in offering exceptional workplaces to their employees. In FY24, we were also named to Forbes magazine's list of the World's Top Companies for Women for a second year in a row. That designation surveys worker satisfaction with regards to gender-related topics, such as opportunities for advancement, pay equity, and supportive policies for women in the workplace.

We constantly invest in our employees with continuous training and development programs, providing them with the skills needed to maintain high-quality standards throughout our operations, and to continue growing within the Company. In FY24, we invested approximately $12.6 million and 195,000 hours in developing our employees. Furthermore, our focus on promoting from within has translated into 1,359 employees being promoted internally in FY24.

Forbes 2023 CANADA'S BEST EMPLOYERS POWERED BY STATISTA

Forbes 2023 WORLD'S TOP COMPANIES FOR WOMEN POWERED BY STATISTA

In FY24, we significantly improved our ability to retain talent with our global turnover back to our pre-pandemic level at 19%, compared to 23% in FY23.

We continue to increase our efforts to retain our employees and to ensure their well-being within our organization by focusing on the following key areas:

- Improving our **onboarding program**;
- Performing **stay and exit interviews** to analyze feedback and implement relevant action plans;
- Leveraging Saputo Connect, our **performance management** process, to ensure employees and managers have **meaningful conversations** around individual business objectives, development opportunities, and career aspirations;
- Providing **leadership development programs** to participants from all divisions. These programs are built on Saputo's leadership and emotional intelligence (EQ) competencies and showcase our values and ways of working;
- Continuing to **recognize** our employees' contributions through our Saputo Applause program;
- Conducting an annual detailed **talent review** to identify key talent, develop them, and ensure long term business success;
- Ensuring our **working conditions** remain competitive with compensation market data analysis and timely adjustments; and
- Providing greater **pay transparency** to employees to ensure fairness and equity.

We continued to focus on our global well-being strategy and its four priority areas—work, life, physical, and mental. In FY24, we concentrated our efforts on accomplishing ten key goals across all our divisions.

Diversity, Equity & Inclusion
Work environment
Sense of purpose
Respect & Recognition

Nutrition
Physical activities
Sleep
Medical health
Injury management

Work life balance
Financial management
Individual relationships
Community involvement

Education
Anti-stigma
Stress management
Coping mechanisms

Work

- We have policies in place across the organization to support well-being internally. These policies include our workplace respect policies (also known as harassment and discrimination policies), drugs and alcohol policies, flex work policies, and our health & safety policies. Other policies include our UK menopause policy and Canada's Right to Disconnect policy.
- Ensure employees receive plant tours, cheese boxes, historical overview, product knowledge sharing, and buddy programs as part of their onboarding training. The orientation program and delivery method vary by location, but the overall goal of ensuring employees feel part of the organization is consistent.

Mental

- Employee Assistance Programs are established in each division. We promote the programs to all employees through internal communications at least twice a year.
- A Mental Health First Aider (MHFA) program was introduced and 646 MHFAs were trained across the company in FY24.
- Mental Health training for managers has become part of our standard training offer within the first year of a manager being appointed. In FY24, over 600 managers were trained.

Life

- We have a Flex Work policy. As part of this policy, options offered to employees may include working from home two days a week, part-time work, unpaid leave, sabbaticals, and staggered start and end times.
- Employees have access to financial guidance sessions annually. Session subjects will alternate to address young professionals, mid-career, and pre-retirement segments of the employee population.
- Our Volunteer Time Off program was launched in FY24, and 9% of our employees used the program, resulting in 10,489 hours spent helping local charities.

Physical

- We offer employees the opportunity to participate in at least one physical activity initiative at work every year. This may include tournaments, group walks, fitness classes, and community challenges.
- Sleep support material has been made available to all employees, especially geared towards supporting our evening and night shift employees in adapting to non-traditional work schedules.

METRIC	FY24	FY23	FY22	FY21	FY20
Total internal promotions	1,359	1,434	1,476	943	1,080
Total training and development investments (in millions dollars)	12.6	12.1	9.0	8.1	8.2
Total hours spent on training and development[1]	194,785	109,198			
Average tenure (years)	9.2	9.3	9.2	10	10
% of unionized employees	34%	34%	35%	35%	36%
Global turnover	19%	23%	24%	17%	

1 The methodology to calculate training hours was reviewed in FY24 to avoid double counting. Previous year number was restated where data was available.

Health and Safety (H&S)

We care deeply about the health and well-being of our team, and keeping everyone safe is a top priority. Supported by our global **Health and Safety Policy**, and leveraging Human and Organizational Performance (HOP) principles, we aim to build a culture of active listening and learning, where our people are an integral part of the solution.

Throughout FY24, we remained focused on executing our three-year goal to improve our H&S capacity by engaging our employees, leveraging HOP principles, and ensuring our systems are safe by design. Our divisions continued to come together to make sure we share a common mindset and leverage best practices globally to build safety capacity across our operations. We also met the schedule we set for ourselves to develop our global standards for our most critical risks to be implemented by FY25. We continued to embed our safety principles into our everyday practices—consistently sharing examples of our principles in action at our global quarterly H&S Committee meetings and leveraging them to guide our daily decision-making process.

In FY24, we were pleased to see in our lagging indicators improved with our Total Injury Frequency Rate (TIFR) improving by 9% and our Lost Time Injury Frequency Rate (LTIFR) improving by 11%, compared to FY23.

Forging an environment where our people feel empowered and safe is an important responsibility, and we are deeply committed to it. We have a strong safety culture, a talented and caring team, and a unifying Policy to ensure we can fully contribute at work and arrive home safely.

METRIC	FY24	FY23	FY22	FY21	FY20
Total injury frequency	2.86	3.13	3.62	3.76	3.59
Lost time injury frequency	1.24	1.40	1.37	1.61	1.36
Fatality	0	1	0	0	1

Business Ethics

Our reputation for business integrity is paramount. We work hard to preserve the quality of our work environment, and we want the everyday conduct of our Board members, leaders, and employees to be driven by the highest ethical standards.

We have implemented corporate governance initiatives to ensure a high level of independence, disclosure, and transparency. Among these initiatives, we have adopted an anonymous and confidential whistleblowing line hosted by a third party, an **Incentive Compensation Clawback Policy, and a Shareholder Communication and Engagement Policy**.

We also appreciate the importance shareholders place on effective executive compensation policies and practices, and we are committed to maintaining an ongoing engagement process with our shareholders by adopting measures to gather constructive feedback. To this end, our Board of Directors invites shareholders to cast a "say on pay" advisory vote on Saputo's approach to executive compensation at our annual meeting of shareholders.

We have global procedures in place to comply with laws, regulations, and industry standards. In FY24, we had no significant fines for non-compliance.

METRIC	FY24	FY23	FY22	FY21	FY20
Number of significant fines for non-compliance	0	3	0	0	1
Monetary value of significant fines for non-compliance (in millions dollars)	0	3.1	0	0	0.16

Cybersecurity and Data Privacy

The confidentiality and privacy of our customers and employees, as well as the protection of information systems, are key principles in our Code of Ethics, and an important focus area for our Saputo Promise three-year plan (FY23-FY25). In FY23, we appointed a Global Privacy Officer to ensure compliance and oversee current and future privacy initiatives. Always with the aim of operating securely, addressing risks proactively, and promoting a risk awareness culture within Saputo, we also continued to dedicate resources to cybersecurity in FY24.

Our Information Technology ("IT") Security Committee oversees the management of our key cybersecurity programs and the risks and measures put in place to protect the confidentiality, integrity, and availability of our data. We have implemented policies, practices, procedures, and controls—including maintenance of protective systems and technology, monitoring and testing, incident response, disaster recovery and business continuity plans, and employee training—to protect our IT systems, prevent unauthorized access to confidential data, and mitigate the risk of disruption to our business. We make strategic investments in this area to mitigate cyber threats. We also have security and compliance processes, protocols, and standards that apply to our third-party service providers. Our processes include a due diligence approach that ensures third-party services, including cloud-based services, are evaluated using industry-standard security assurance approaches to assess the risks.

Our cybersecurity risk management strategy has been designed using enterprise risk considerations and aligned with industry standards such as the National Institute of Standards and Technology. We regularly evaluate and adjust our cybersecurity risk management strategy based on various considerations, including risk assessments, continuous monitoring, and periodic independent cybersecurity maturity evaluations. Cybersecurity risks are assessed and included as part of the Company's annual Internal Audit plan. Management receives regular briefings on developments of cyber incidents occurring in organizations globally. To our knowledge, we have not experienced a material information security breach within the last four years on Saputo core systems or network infrastructure.

ESG Disclosure and Engagement

As ESG disclosure frameworks continue to evolve, we are constantly reviewing our disclosure approach to ensure we remain aligned with our investors' expectations. With the recent release of the International Sustainability Standards Board (ISSB) inaugural standards—IFRS S1 and IFRS S2—we started preparing for the expected incorporation of these standards into the Canadian regulatory framework. With that in mind, in FY24, we aligned our ESG disclosure timing with our financial statements in preparation for upcoming regulated Climate disclosures.

We also expanded our ESG Investor Engagement Program, through which we proactively engage with our largest institutional shareholders to seek feedback on our ESG initiatives. Through this program, our Investor Relations and Corporate Responsibility teams met with a larger number of institutional investors in FY24 than the previous year, in addition to responding to an increasing number of requests from the investment community relative to ESG and other matters.

Responsible Sourcing

We believe our relationships with suppliers are vital to our ability to make high-quality products. We aim to create an environment where we can build strong, sustainable, and long-term partnerships, and promote responsible business practices by working with our suppliers across the value chain. To do so, we implemented our **Supplier Code of Conduct**, setting the minimum standards of business conduct that we expect from our suppliers.

While our suppliers are independent businesses, their actions can impact our reputation and the trust we have earned from our customers, consumers, and other stakeholders. Our Supplier Code of Conduct is rooted in the Saputo Promise to ensure we continue to work collaboratively with suppliers on shared standards of business.

As some of our suppliers operate in different legal and cultural environments across the globe, our Supplier Code of Conduct defines a list of zero-tolerance issues that apply universally across our supply chain.

We have zero tolerance for:

- Child labour;
- Forced labour;
- An environment that incites or encourages any form of coercion and harassment;
- Any major health and safety deficiency posing immediate danger to life or risk of serious injury;
- Any major environmental deficiency posing serious and immediate harm to the environment or the community;
- Any form of animal cruelty; and
- Any form of bribery.

Our Supplier Code of Conduct describes monitoring and enforcement processes, as well as protocols for addressing a breach or suspected breach and reinstatement criteria that suppliers are expected to meet.

Throughout FY24, we continued the implementation of our Supplier Code of Conduct through formal risk assessments and proactive checks – such as self-assessment questionnaires and audits – to ensure compliance. Our global modern slavery statement which contains additional details on some of the actions we are taking is available on **saputo.com/en/our-promise/reference-documents**.

Sustainable Ingredients

We are committed to doing our part in creating a sustainable and equitable food system, working in partnership with our farmers, suppliers, and industry partners to strive towards the following desired sustainability outcomes:

Climate
Transition to a net-zero food system by 2050 and halt deforestation

Land
Protect biodiversity and preserve soil health

Water
Protect and preserve water ecosystems

Livelihoods
Improve the resilience and economic viability of farming communities and protect workers' rights

In response to this, we launched our 2025 Supply Chain Pledges in FY22, which outline how we intend to address sustainability considerations beyond the scope of our operations.

By 2025, we pledge to

Ensure **100% of our milk supply chain** is covered by relevant sustainability standards where **we have direct relationships with farmers**;

Advocate to ensure **relevant sustainability standards are implemented across all of our milk supply chains** where we do not have direct relationships with farmers;

Contribute **$10 million** to fund relevant initiatives; and

Source **100% of our principal ingredients** sustainably.

Milk is our principal ingredient, representing up to 85% of the cost of goods sold, and the key focus of our Supply Chain Pledges. The type of relationships we have with milk producers and the level of influence we have on the on-farm practices vary depending on the country where we operate. This, in turn, influences how we implement our Supply Chain Pledges.

COUNTRY	TYPE OF RELATIONSHIPS	LEVEL OF INFLUENCE	APPROACH
Canada	Highly regulated market where milk is sourced exclusively through the provincial milk marketing boards, which have oversight of the relationship with milk producers.	Low	Advocacy
USA	Milk is primarily sourced from major cooperatives, with a smaller portion coming directly from patron farmers and other dairy processors.	Medium	Advocacy and direct engagement
Australia	Milk is primarily sourced directly from patron farmers. However, the current shortage of milk in Australia impacts our level of influence.	Medium	Advocacy and direct engagement
Argentina	Milk is primarily sourced directly from patron farmers.	High	Direct engagement
United Kingdom	Milk is sourced directly from patron farmers.	High	Direct engagement

In FY24, we continued to engage with our milk producers on our global **Sustainable Agriculture Policy**, which defines the sustainability standards we want to achieve to ensure the responsible production of dairy ingredients. These standards have been formally communicated throughout our supply chain with the view to have them fully implemented by 2025. We continue to have conversations with our milk producers to ensure the standards are well understood and to provide the necessary support to facilitate their implementation. We recognize that the implementation of such standards takes time, and therefore, we will not pursue formal verification until 2026, after the 2025 implementation deadline.

As part of our commitment to fund initiatives supporting sustainable agriculture, we have invested in several projects since FY23 to support the capacity building of dairy farmers around sustainable farming practices. In Australia, in partnership with Dairy Australia, we funded the development and roll-out of a tool that supports farmers in the development and implementation of a sustainability farm plan for their operations. In the UK, we have funded an initiative to establish a baseline around on-farm GHG emissions for our Davidstow milk pool, as well as provided training on how to improve efficiencies and reduce emissions on farm. In FY24, we funded a similar initiative in the USA, working with our patron farmers to establish their GHG emissions baseline and identify opportunities to implement on-farm practices to reduce those emissions. We are now looking to expand the USA project to an additional number of patron farmers in FY25. We are also considering rollout opportunities for similar projects in Canada and Argentina.

Working in partnership is key to making the changes required to our food system. To support our efforts, we joined Pathways to Dairy Net Zero, an initiative to help accelerate climate efforts in the dairy industry, and the Sustainable Agriculture Initiative Platform, which is a global, non-profit network of over 170 members working to advance sustainable agricultural practices through pre-competitive collaboration.

In addition to our milk supply, we are committed to ensuring 100% of our principal ingredients are responsibly sourced and produced. We evaluate our principal ingredients on an ongoing basis and review our sourcing policies and processes as appropriate.

We are a global member of the Roundtable on Sustainable Palm Oil (RSPO), a global non-profit initiative that unites stakeholders to develop and implement worldwide standards for sustainable palm oil. As part of our membership, we are committed to sourcing 100% RSPO-certified palm oil from 2021 and beyond. Certified palm oil must comply with strict environmental and social criteria developed by the RSPO. The 22,026 MT of palm oil we sourced in 2023 was 100% RSPO-certified, in line with our commitment. In FY24, we also completed the certification of our own operations, confirming our facilities processing palm oil comply with the RSPO Supply Chain certification standards.

Animal Welfare

As a global leader in dairy processing, milk is our primary ingredient, and we care deeply about the way it is produced. For us, high-quality dairy products begin with high-quality milk from healthy and well-cared-for animals. Our **Animal Welfare Policy** sets out the animal care standards we expect our suppliers to comply with through industry regulations and Codes of Practice, routine animal management practices, and awareness and training programs. In FY24, 100% of our direct milk supply complied with the requirements of our Animal Welfare Policy. Over 99% of our direct suppliers have eliminated the practice of tail docking cattle and we continue to work towards implementing pain management protocols for disbudding calves throughout our milk supply.

We strive to continually advocate for the improvement of national standards and industry regulations in the countries where we operate. In FY24, we were involved in animal welfare advocacy, including participation on the Dairy Farmers of Canada Animal Care Technical Committee, which works to incorporate the Canadian Code of Practice for the Care and Handling of Dairy Cattle into the proAction program requirements. We also served as an associate member of the National Farm Animal Care Council, and consulted with the Dairy Processors Association of Canada on key animal care issues impacting Canadian dairy cattle and goats. We continued to be engaged with the Farmers Assuring Responsible Management (FARM) animal care program v5.0 of the National Milk Producers Federation in the USA.

We were once again included in the Business Benchmark on Farm Animal Welfare (BBFAW), as part of their new methodology pilot which will be used for their public report later this year. Their assessment framework underwent a major review and overhaul which impacted the scoring system and saw many companies drop at least one tier from their previous standing. Therefore, we expect our ranking to drop one tier position, from fourth to fifth tier, in the next BBFAW report. We have engaged with BBFAW to better understand how the new scoring system impacts the rankings and with a view to continue to improve our disclosure on our continued commitment to animal welfare.

We have zero tolerance for animal cruelty and have established a clear protocol to work with suppliers and authorities to effectively deal with situations where a breach of our Animal Welfare Policy is suspected. In FY24, one supplier was suspended under our animal cruelty protocol globally. Our specific reintegration criteria were followed, which included having a third-party animal welfare audit conducted to validate producer handling standards. Upon receiving confirmation of acceptable corrective actions necessary to address animal care deficiencies, we have resumed receiving milk from the supplier.

We continued our support for the Dairyland Initiative led by the University of Wisconsin School of Veterinary Medicine, which allows faculty and staff to provide bi-annual workshops for farmers, veterinarians, nutritionists, and industry consultants. Similarly, we renewed our support for the Saputo Dairy Care Program developed to provide specific dairy welfare training—in collaboration with the University of Guelph and the Campbell Centre for the Study of Animal Welfare. Our partnership with the University of British Columbia also remains strong as we support many dairy cattle welfare research projects there. A new partnership was launched with the University of Melbourne and Dairy Australia to promote quiet cattle handling assessment and training tools.

As a result, we impacted more than 28,800 people through various initiatives in FY24, including workshops and webinars, industry presentations, and access to online training tools, which were either hosted or made available by our partners or field staff.

METRIC	FY24	FY23	FY22	FY21	FY20
SUSTAINABLE INGREDIENTS					
% of food ingredients sourced that are certified to third-party environmental and/or social standards, and percentages by standard: Palm oil (RSPO certified)	100%	100%	100%		
% of food ingredients sourced from regions with High or Extremely High Baseline Water Stress	47%	24%	26%		
ANIMAL WELFARE					
% of direct supplier verified to meet animal welfare standards	100%	100%	100%		
Case of animal cruelty reported resulting in suspension of supply	1	3	1	2	2
Number of people impacted by animal welfare training (through our partnerships and employee training)	28,829	28,933	31,115	38,252	21,221

Environment

Our goal is to safeguard the environment while continuing to grow as a world-class dairy processor. In FY20, we pledged to accelerate our global climate, water, and waste performance, announced clear environmental targets, and made a formal commitment to make significant progress by 2025. We have allocated additional resources - including capital investments of more than $70 million to date - to support the execution of this global action plan.

Climate

We recognize that climate change is a challenge for everyone. Collectively, we must continue to address our use of fossil fuels and embrace sustainable practices relating to agriculture and manufacturing. This is critical to the long-term future of our business, our patron farmers, and the communities where we operate.

In FY24, we furthered our Climate commitment by submitting our intent to set science-based targets, as defined by the Science-Based Target Initiative (SBTi). We anticipate our post-FY25 climate targets to be validated by the SBTi.

Governance

We continue to ensure strong governance pertaining to climate from the top, starting with our Board. In FY24, we amended our **Board mandate** to specify the Board's oversight of the Company's practices, guidelines, and policies pertaining to climate-related risks and climate change. We also continued to build climate competency through climate-related training sessions and updates to our Board.

The Board of Directors' Audit Committee is responsible for reviewing and evaluating the risk factors inherent to Saputo's business and ensuring that appropriate measures are in place. The Audit Committee is accountable for ensuring effective risk management through our global enterprise-wide risk processes. As delegated to it by the Board, the Audit Committee oversees our management of principal environmental risks, including climate-related risks, to which we are exposed, and ensures the implementation of appropriate methods by our management team to proactively identify, evaluate, manage, mitigate, and report on these risks. The Audit Committee meets regularly and reports to the Board every quarter.

The Audit Committee also receives reports from the **Environmental Committee**, which oversees the application of the Environmental Policy and meets each quarter to discuss our environmental risks, our Environmental Pledges, the required action plans, and the status of ongoing projects. Each division also has an Environmental Affairs Lead who ensures environmental risks, including those that are climate-related, are appropriately managed at the local level. Additional information regarding our overall ESG governance can be found on page 9 of this report.

As part of our Environmental Pledges, we established a governance framework to foster Company-wide accountability and ownership, and reporting on our progress to the Board annually. We reinforced our climate governance with the introduction of ESG-related compensation as part of our long-term incentive plan (LTIP) for management (Director and above). Thirty percent of the performance share units granted pursuant to our LTIP in FY24 is linked to the achievement of our climate and water targets. Additional information on our LTIP is available in our Management Information Circular dated June 6, 2024, and available at **saputo.com/en/investors/shareholder-reports/2024**.

In FY23, considering an increased focus on climate-related disclosures and following our climate scenario analysis, we set up a global Working Group on Climate responsible to drive timely implementation of our climate roadmap. Our roadmap drives our actions to build resilience by adapting our business processes to respond to climate risks and opportunities and ensure readiness to upcoming regulated climate disclosures. The working group is led by our Vice President, Corporate Responsibility and comprised of representatives from various relevant corporate functions such as Internal Audit, Corporate Accounting, Risks, Insurance and Real Estate, and Mergers and Acquisitions.

In FY24, the Working Group focused its efforts on building climate resilience by strengthening the assessment of natural catastrophe (NatCat) exposure of our assets, developing associated emergency response plans, and building internal processes to track and review risks. We also built climate considerations into our M&A processes to assess climate-related risks and opportunities of potential acquisitions.

Strategy and Climate-Related Risk Management

Anchored in the Environment Pillar of our Saputo Promise and our **Environmental Policy**, our climate action focuses on reducing our impact on and adapting to climate change. This approach allows us to manage risks and seize opportunities that create positive environmental change.

In FY23, we completed our climate risk and opportunity assessment. Guided by the approach recommended by the TCFD framework, we undertook a scenario analysis to help us understand how external climate risks and opportunities could impact our business operations. We explored several scenarios prepared by internationally recognized agencies (detailed in the table below) considering factors such as demographics, economics, environmental, legal, social, and innovation and technology. Through a series of workshops with cross-representation across our different functions and geographies, we sought to better understand how climate risks and opportunities might evolve over time, the resilience of our business strategy in different climate futures, the impacts associated with the transition to a lower-carbon economy, and the resulting implications for our future strategic and financial planning.

		REFERENCE	
SCENARIO	DESCRIPTION	TRANSITION SCENARIOS (IEA[1])	PHYSICAL SCENARIOS (IPCC[2])
Low emissions	In this scenario, concerted efforts are made to rapidly curb global CO_2 emissions and global average warming is limited to 1.5°C, in line with the ambitions of the Paris Agreement. All countries successfully implement their most ambitious pledges and the global energy systems that underpin our economies undergo a total transformation.	Net Zero by 2050 Scenario	SSP1-1.9 or SSP1-2.6 (Formerly RCP 1.9 and RCP 2.6)
Moderate emissions	In this scenario, a transition away from fossil fuels is observed, but not enough to significantly avoid some significant climate change impacts. Global temperatures rise to 2.6°C by 2100. Current (up to summer 2021) country and sector-by-sector policies and initiatives are assumed to be enacted and successfully implemented.	IEA 2021 Stated Policies Scenario (STEPS)	SSP2-4.5 (Formerly RCP 4.5)
High emissions	In this scenario, little progress is made on curbing global CO2 emissions and average global warming exceeds 4°C by 2100. Global emissions are curbed only by the policies that existed at that time. It is assumed in this scenario that few, if any, of the more ambitious previously announced targets have been met.	IEA 2019 Current Policy Scenario (CPS)	SSP5-8.5 (Formerly RCP 8.5)

Our processes are designed to identify, assess, and mitigate risks to minimize their potential impact and support the achievement of our long-term business strategy. Climate-related risks are treated the same way as other risks and, following our climate scenario analysis, are embedded in our global enterprise-wide risk processes overseen by the Audit Committee.

1 International Energy Agency
2 Intergovernmental Panel on Climate Change

Key climate risks and opportunities (transition and physical) and response strategies are summarized in the table below:

		POTENTIAL BUSINESS IMPACT*		
RISK/ OPPORTUNITY CATEGORY	RISK/OPPORTUNITY DESCRIPTION	SCENARIO	IMPACT LEVEL	RESPONSE STRATEGY
PHYSICAL Chronic	Reduced availability of milk due to increased heat stress on livestock, reduced availability of quality crop, and/or reduced availability of clean water.	Low emissions	Medium	In each of our markets, we have dedicated teams responsible for sourcing raw ingredients. These teams work closely with the industry and our patron farmers to maintain our milk supply. We also continuously re-evaluate our global platforms across our regions to ensure we have the right manufacturing infrastructure in place for the total milk we have today and that we anticipate over the next few years. Through our Supply Chain Pledges, we committed to contributing to a sustainable, resilient, and equitable food system, working in partnership with our farmers, suppliers, and industry partners. These efforts play a part in supporting the dairy industry progress towards the Paris Agreement goals of net zero emissions by 2050. As part of our climate scenario analysis, we also undertook a specific study to better understand the impact of heat stress on milk yield and implications for our supply chain.
		Moderate emissions	High	
		High emissions	Very High (particularly in Australia, Argentina, and the UK)	
PHYSICAL Acute	Short operational disruptions (including milk deliveries and distribution of products) caused by extreme weather events.	Low emissions	Medium	Our risk management teams ensure that investment programs and mitigation measures are in place to minimize the impacts of natural disasters and short operational disruptions on our business. Some of these measures include risk financing through insurances, emergency response plans to reduce impacts, and capital investments in our assets to build natural disaster defenses where appropriate.
		Moderate emissions	Medium	
		High emissions	High (particularly in Canada)	
TRANSITION Market	Changes in the consumer market due to increased demand for dairy alternatives brought on by an increase in environmental and climate change awareness.	Low emissions	Low	Market demand for plant-based products is creating opportunities for new offerings, and as part of our Global Strategic Plan, we are leveraging some of our trusted brands to build a strong platform to offer dairy-free alternatives to complement our current product portfolio.
		Moderate emissions	Medium	
		High emissions	Medium	
TRANSITION Regulatory	Operating costs impacted by higher energy costs.	Low emissions	Low	We expect our climate and energy intensity reduction targets and our associated capital investment for carbon reduction projects to contribute to reducing the direct costs and exposure to carbon pricing mechanisms.
		Moderate emissions	Low	
		High emissions	Low	

Additional risks are also described in our Management's Discussion and Analysis, dated June 6, 2024, available at saputo.com/en/investors/shareholder-reports/2024.

Further details relating to the climate risks that impact our business are available in our annual CDP disclosures, which can be found at saputo.com/our-promise/reference-documents.

*Business impact is based on a qualitative assessment and relative ranking of the risks identified.

Targets and Metrics

In FY20, we pledged to accelerate our global climate performance by 2025. To do so, we pledged to:

Reduce the CO_2e intensity of our operations by 20% (against FY20 baseline); and

Reduce the energy intensity of our operations by 10% (against FY20 baseline).

In FY24, we continued the implementation of renewable energy initiatives and capital projects to drive energy and carbon savings across our network.

Key highlights:

- We entered into a 15-year virtual power purchase agreement (VPPA) with Capital Power, a North American power producer. The agreement pertains to a Canadian-based wind facility (Halkirk 2 Wind) under construction. Subject to final regulatory approvals and once operational, the portion of wind facility contracted by Saputo will generate 206,300 MWh of renewable electricity per year for Saputo, reducing our CO_2 emissions by more than 140,000 tonnes – equivalent to taking more than 30,000 cars off the road.
- We completed 13 additional energy-saving projects such as heat recovery systems, steam accumulators, and updated boiler controls. On an annual basis, we expect these projects will be saving over 258,000 GJ of energy and more than 20,000 tonnes of CO_2e.

In FY24, our carbon intensity decreased by 5% compared to FY23 and 18% compared to our FY20 baseline as our renewable electricity initiatives continued to impact our global footprint. This puts us well on track to achieve our FY25 target. From an energy intensity perspective, our performance has started to show signs of improvement with a 3% reduction compared to last year and 4% compared to our FY20 baseline.

Since fiscal 2019 (FY19), we provide an estimate of our scope 3 emissions as part of our CDP Climate disclosure. These emissions are primarily associated with the milk we source globally, and are estimated using the FAO GLEAM emissions factors (**fao.org/gleam**).

In FY24, our scope 3 emissions were estimated at 13,825,661 tonnes of CO_2e. Further information on how we plan to address environmental considerations in our supply chain can be found on page 23.

METRIC	FY24	FY23	FY22	FY21	FY20
Total energy consumed (GJ)	13,927,514	14,198,121	14,314,101	14,760,288	14,485,795
CO_2 intensity (√) (Tonne CO_2e/tonne of product)	0.1827	0.1926	0.2048	0.2157	0.2221
Energy intensity (GJ/tonne of product)	2.89	2.97	2.95	3.15	3.00
Scope 1 emissions (√) (Tonne CO_2e)	509,543	520,784	526,479	528,089	546,195
Scope 2 emissions (√) (market-based) (Tonne CO_2e)	369,574	396,889	468,629	482,145	525,966
Scope 3 emissions (Tonne CO_2e)	13,825,661	13,848,474	13,571,197	13,490,191	13,486,413

Water

Clean water is essential to the long-term success of our business and the communities we serve and operate in. Not only is access to clean water vital for sanitation and other aspects of our manufacturing operations, but our suppliers also rely on sufficient access to quality water to produce milk.

Water risks are managed and assessed under the same governance and risk management process as our climate-related risks. The assessment of these risks is embedded in our Environmental Management System (EMS) and managed by the Environmental Committee as part of our Environmental Policy. Specific water-related risk assessments are also carried out annually using the World Resources Institute (WRI) Aqueduct tool and disclosed annually as part of our CDP Water response.

Our key water risks and mitigation strategies are summarized in the table below:

RISK	RISK DESCRIPTION	MITIGATION STRATEGY
Availability and increased water costs for our operations	Water is vital to our manufacturing operations, including production, cleaning, and sanitation processes. In FY24, 50% of our water withdrawals were from water-stressed regions.[1] The significant change compared to last year is mainly a result of an update in the Aqueduct dataset, the tool we use to assess our water risks.	Our water intensity reduction target and associated investments to water-related projects, will help reduce our exposure to operational water risks. Our investments prioritize water-reduction projects in water-stressed regions.
Stricter environmental laws and increased compliance costs	Our facilities generally operate under wastewater discharge permits or have entered into wastewater discharge agreements with local municipalities. Changes in environmental laws and regulations, or more vigorous regulatory enforcement policies as a result of increased concern over climate change and water scarcity could impose additional compliance costs, capital expenditures, as well as other financial obligations.	We continuously monitor our wastewater performance and implement various measures including reducing wastewater at source and capital investment to upgrade equipment to achieve compliance with current and future permit limit.
Availability and increased cost of water for the production of raw material (milk)	Saputo purchases milk that may represent up to 85% of the cost of goods sold. Our suppliers rely on sufficient access to quality water to produce milk. Based on our risk assessment, around 47% of our milk is sourced from water-stressed regions. The update in the Aqueduct dataset, the tool we use to assess our water risks, explains the variance compared to FY23.	Through our Supply Chain Pledges, we committed to contributing to a sustainable, resilient, and equitable food system, working in partnership with our farmers, suppliers, and industry partners—playing our part in supporting the industry in preserving water ecosystems.

Additional risks are also described in our Management's Discussion and Analysis, dated June 6, 2024, available at **saputo.com/en/investors/shareholder-reports/2024**.

Further details relating to the water risks that impact our business are available in our annual CDP disclosures at **saputo.com/our-promise/reference-documents**.

1 A water-stressed region is defined as having a baseline water stress level that is considered "high" or "extremely high" in the WRI Aqueduct tool

In FY20, we pledged to accelerate our global water performance by 2025 with a commitment to:

Reduce the water intensity of our operations by 10% (against FY20 baseline); and

Improve our wastewater quality year-over-year.

In FY24, we continued our capital investments in water-saving projects and completed the installation of 5 projects across our network with the potential to save more than 230,000 m³ of water annually.

With these additional water-saving capital projects progressively becoming operational in FY24, we saw our water intensity number improving slightly compared to our FY20 baseline but remained behind our target. Our water intensity is highly dependent on our operational context. Therefore, the reduction in our volume of productions since FY20 is offsetting some of the gains we made from a water savings perspective. Furthermore, our numerous network optimization initiatives, including the installation of new lines, can temporarily drive an increase in water use driven by additional required cleaning as we test the equipmentand the redundancy of assets during commissioning. We expect that our continued focus on capital investments and the conclusion of our network optimization initiatives will result in some of these gains to be better reflected in our future water intensity numbers.

From a water quality perspective, we kept a strong focus on proactively managing our wastewater performance through regular monitoring, reduction at source, and capital investments where appropriate. In FY24, we achieved a water quality compliance rate of 98%.

METRIC	FY24	FY23	FY22	FY21	FY20
Water withdrawal (m³) (√)	24,071,722	24,218,443	24,480,594	24,296,649	24,427,531
Water withdrawal % in regions with High or Extremely High Baseline Water Stress	50%	28%	29%	30%	29%
Water intensity (√) (m³/ tonne of product)	5.00	5.08	5.04	5.19	5.06
Water quality compliance rate	98%	99%	94%	97%	98%

Waste and Packaging

Operational and Food Waste

In FY20, we pledged to accelerate our global waste performance by 2025 with a commitment to:

Reduce our total waste by 25% (against FY20 baseline);

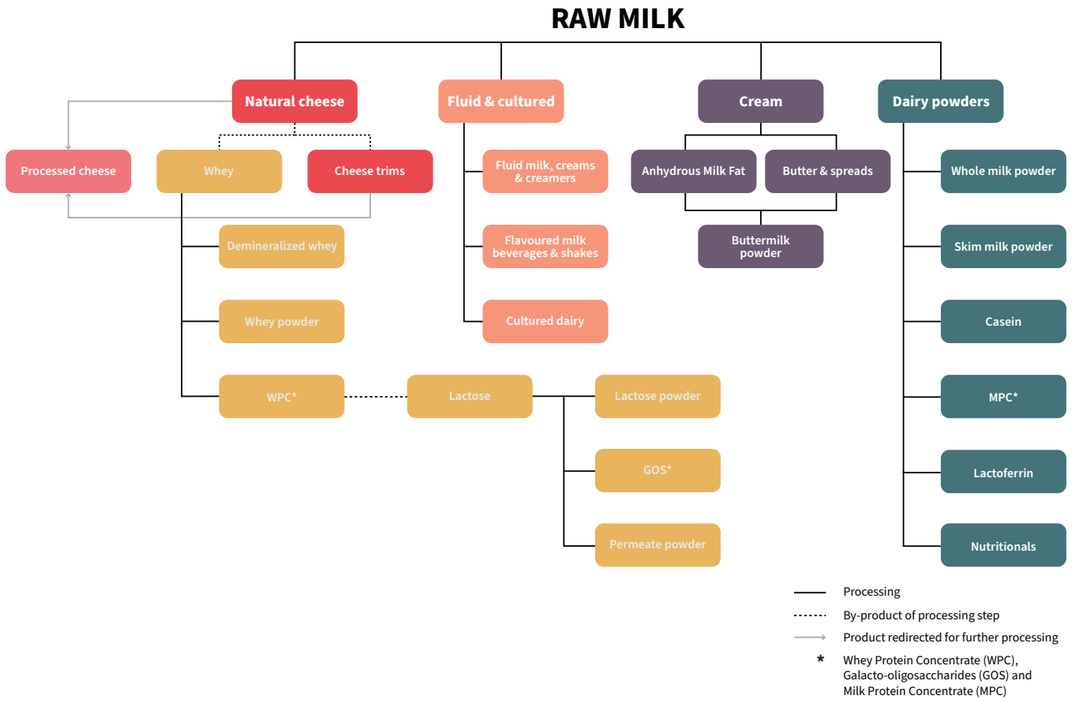
Increase our diversion rate to 75% for inorganic waste; and

Reduce our food waste by 50% (against FY20 baseline).

Our focus on operational efficiency and continuous improvement means we are constantly looking for ways to reduce, repurpose, or divert waste. From a food waste perspective, dairy is a highly efficient product because many of its byproducts can be valorized into a series of ingredients. As part of our Global Strategic Plan to accelerate organic growth, we are continually looking at ways to increase the value of our ingredients portfolio while also exploring opportunities to leverage all the nutritional elements that milk provides.

From Inputs to Outputs: Making Every Drop Count

Extracting value at every step of the production process



In FY24, we continued to implement a series of initiatives, including redirecting organics to animal feeds, progressing the completion of a biodigester in Argentina to process organics into biogas, and diverting our waste from landfills to other streams such as recycling facilities and energy suppliers.

We continued our efforts in FY24 to redistribute food surplus in communities where we operate, donating more than 2.2 million kilos of products to food banks across our operations, which resulted in an estimated reduction of 10.7 million kilos of CO_2e.[1, 2]

With these efforts, in FY24, our total food waste was 26,644 tonnes, an 14% improvement over our FY20 baseline. Our sludge and brine numbers fluctuate year-to-year due to the cyclical nature of desludging activities producing peak volumes in certain years. Our focus on wastewater quality and associated capital investments in wastewater treatment infrastructure (which increase the production of sludge) and certain regulatory changes making it more difficult to redirect sludge to animal feed will likely continue to drive fluctuations in our numbers in the foreseeable future.

Our total waste inorganics improved by 18% compared to our baseline, but the diversion rate for our inorganic waste remains flat compared to our baseline.

CASE STUDY: Waste Not

As part of our efforts to improve our waste diversion rate, one of our manufacturing facilities in our Dairy Division (USA) is now converting all its non-recyclable waste into energy. The combustion of waste creates superheated steam in the boilers, allowing the steam to drive turbogenerators and produce electricity. The electricity generated can then be sold to the city and distributed to surrounding communities. This initiative will divert an estimated 500 metric tonnes of waste, generating enough electricity to power 300 homes for a month, and making another of our sites “Zero Waste to Landfill”.

1 Calculated using the FReSH - FLW value calculator from the World Resource Institute.
2 The unit has been corrected on November 11, 2024 after the initial release of the report.

Packaging

While packaging is vital to ensuring the integrity and safety of our products, we recognize that it can also pose significant environmental impacts.

To address some of these impacts, in FY20, we pledged to accelerate our global packaging performance by 2025 with a commitment to:

- **Reduce our material use by 15% (against FY20 baseline);**
- **Ensure 100% of our packaging is reusable, recyclable, or compostable; and**
- **Ensuring our packaging includes at least 15% of recycled or renewable content.**

In FY24, all our divisions progressed on their roadmaps to achieve our 2025 targets. In our Dairy Division (USA), we continued the introduction of PCR[6] in our shrink film used at some of our plants. Our Dairy Division (Canada) is currently assessing if similar film could be rolled out in our plants in Canada. In Australia, we launched our new *CHEER* refill slice packs, which contains 80% less plastic by removing the outer plastic container and encouraging consumers to reuse their existing *CHEER* container or a plastic container from home. We continued to pursue testing and development around recyclable flexible film, which remains a challenging material to replace in many of our divisions.

In FY24, our product to packaging ratio remains slightly above our FY20 baseline. Our percentage of plastic made of recycled material remains similar compared to last year and above our FY20 baseline. Finally, our percentage of recyclable packaging remains significantly above our FY20 baseline in FY24, but is behind last year's number mainly due to the volume growth of certain product categories, such as string cheese in the US, for which the packaging is not recyclable.

Our packaging targets remain our most aspirational as they are highly dependent on external factors. These include the availability of recycling infrastructures and high-quality recycled material at competitive prices—both of which are challenging. Despite these challenges and the fact that meeting our targets by 2025 is now unlikely, we are staying the course, maintaining our efforts to deliver sustainable packaging initiatives across our operations.

CASE STUDY: A step closer to recyclable flexible plastic

Our Dairy Division (UK) was awarded 'Flexible Plastic Pack of the Year' in partnership with Amcor at the UK Packaging Awards 2023 for developing a recycle-ready grated cheese packaging for our *Cathedral City* brand. The flowpack changed from a mixed material packaging to a mono-plastic solution, which is easier to recycle.

The switch to the new recycle-ready packaging is a significant milestone for Dairy Division (UK) and our *Cathedral City* brand, as well as an example of how we are making progress on our commitment to making 100% of our packaging reusable, recyclable, or compostable.

METRIC	FY24	FY23	FY22	FY21	FY20
% waste diverted from landfills	46%	45%	49[2]%	60%	47%
Total waste - inorganics (tonnes)	33,937	33,599	26,207	39,599	41,502
Total waste - sludge and brine (tonnes)	140,739	145,385	107,378	107,412	71,847
Total food waste (tonnes)	26,644	27,134	33,891	33,192	31,085
Total weight of packaging (tonnes)	207,052	207,998	216,748	227,002	213,019
Product to packaging ratio (kg packaging/kg of product)	0.051	0.049	0.049	0.054	0.048
% of plastic packaging made from recycled and/or renewable materials	0.5%	0.6%	0.7%	0.3%	0.3%
% of packaging that is recyclable, reusable and or compostable	80%	85%	80%	69%	68%

6 Post-Consumer Recycled

Nutrition

From the ingredients we source to the products we put on the shelves, we take great pride in helping meet the nutritional needs of our consumers and offering high-quality products. Anchored in our Nutrition Pillar, we continue to innovate ingredients and products that meet the health and wellness needs of every lifestyle as part of our commitment to nourish.

In support of this commitment, we follow four core principles:

- **Science-Based Communications**
  We use the latest science to promote dairy's role within a balanced diet.
- **Research and Development (R&D)**
  We invest in R&D, using evidence-based criteria to optimize the nutritional value of our products without compromising safety and taste.
- **Transparent Labelling**
  We provide clear and transparent product information and make science-based health claims.
- **Responsible Marketing**
  We promote and advertise products responsibly, particularly to children and youth, using our Responsible Marketing Guidelines.

In FY24, we continued to leverage our Saputo Nutrient Profiling Model (NPM) to understand the nutritional performance of our products and proactively identify opportunities to enhance our offerings in line with public health expectations and consumer needs. As of FY24, 82% of our products meet our NPM, with 9% meeting our Level 1 criteria, being dairy foods and beverages recommended by nutrition experts to support a healthy diet. These numbers are the same as the last two years and despite our efforts, fall short of our initial objective to achieve 84% by FY25. Some of this is explained by unexpected challenges in the marketplace, such as consumer acceptance of some reformulated products and lighter cheeses. We aim to continue to improve the nutritional quality and performance of our global portfolio through innovation and reformulation by maintaining our focus on reducing the amount of sodium in our cheeses and the amount of sugar in some of our flavoured milks.

In FY24, Saputo was once again assessed as part of the Canadian Bia-Obesity Report by INFORMAS Canada, a chapter of the INFORMAS global network of organizations and researchers which aims to monitor, benchmark and support public and private sector actions to increase healthy food environment. The organization uses an international framework to benchmark food company policies and commitments related to obesity and population nutrition. Our score significantly improved since the original 2019 assessment, demonstrating the impact of the Company's various nutrition activities over the last five years. Our improvements can be seen in all eight categories assessed in the BIA-Obesity report. We now rank 7th among 22 assessed companies from our peer group in terms of nutrition activities – an improvement of 10 places.

METRIC	FY24	FY23	FY22	FY21	FY20
% of products which meet our NPM	82%	82%	82%		

Community

Building healthier communities is at the core of our engagement, and our actions and contributions are focused on providing nourishing food and promoting an active lifestyle. In line with these objectives, we partner with organizations that promote active living and healthy eating, make valuable contributions to local community groups, and help feed people in need by donating our products.

Here's a glimpse of some of our global efforts:

- In FY24 alone, we are proud to report that we reached over 4.4 million people through our programs, an increase of 258,000 people compared to the year before.
- Through our **Volunteering Time Off (VTO) program**, we are proud to support employees who wish to volunteer for a non-profit organization in their local community. Employees are entitled to one fully paid volunteer day per year and are encouraged to contribute to our community engagement to build healthier communities. The program has been available to all our divisions since September 2023. In FY24, 9% employees used their paid volunteer time-off, which translates to 10,489 hours spent helping local charities. This represents a significant increase in volunteering efforts, compared to last year when 4% of our employees volunteered.
- Our **Legacy program** supports the improvement of local sport and health amenities near our sites, helping families lead a more active and healthier lifestyle. Following our investments in FY24, we have now reached a total of 80 projects globally representing a total investment of $3.7 million.

Some local highlights:

- **In Australia**, we extended key long-term community partnerships with Stephanie Alexander Kitchen Garden Foundation (SAKGF) and Foodbank Australia. Since 2019, Saputo Dairy Australia (SDA) has contributed almost $1 million to SAKGF, enabling the Foundations Kitchen Garden Program to be run in more than 1,000 schools and early childhood centres, and directly impacting 155,000 children each year.
- **In Canada**, we were able to support 27 causes that matter to our employees through the Saputo You Care We Care program. The program is designed to provide a financial contribution or a product donation to support employees' engagement in their communities and encourage them to further support organizations where they volunteer.
- **In the United States**, working with 4H – America's largest youth development organization – we hosted plant tours so youth in our Decatur, Alabama, and Sulphur Springs, Texas communities can learn about the dairy industry and its career paths. Our employees are also volunteering and supporting local 4H events such as career fairs, dairy festivals, and agricultural conferences.
- **In the UK**, in collaboration with community partner Active Surrey, our dedicated team volunteered their time to support health-oriented cooking lessons and other engaging activities for young people.
- **In Argentina**, employees across all our sites prepared Holiday baskets for disadvantaged families and those in need. Baskets were personalized according to the sizes and needs of each family, making the experience even more meaningful.

In FY24, our community investment reached over $7.9 million in line with our internal target of investing 1% of our annual pre-tax profits in communities where we operate. When accounting for the total value of our community footprint, 2.4% of our pre-tax profit benefited communities across the world in FY24.

METRIC	FY24	FY23	FY22	FY21	FY20
Total value of community footprint	16.17	12.21	15.32	16.41	10.46
Total value of community footprint as a % of pre-tax profit	2.4%	1.8%	1.8%	1.8%	1.1%
Total value of community investment against our target of 1%	7.94	7.49	8.77	6.90	10.0
Total value of community investment as a % of pre-tax profit	1.2%	1.1%	1.0%	0.9%	1.0%
Total number of people reached through our healthy living partnerships and programs	4.4	4.2	3.6	2.9	2.6
Number of Legacy projects funded to date	80	66	62	52	50

CASE STUDY: Building effective partnerships

KidSport is a Canadian organization that provides grants to help cover the costs of organized sports, to help ensure that no child is ever left watching from the sidelines. Since the beginning of our partnership in 2018, we have contributed $1.2 million to the cause, giving over 4,000 kids the opportunity to grow and benefit from organized sports. In FY24, we renewed our partnership and pledged to contribute an additional $600,000 over three years. With this partnership renewal, we will help cover sports registration fees and equipment costs for another 2,000 kids from across the country.

Our work with KidSport is a prime example of our ability to maximize value from our community partnerships with our employees, as well as our business and community partners. On top of our corporate donations, we have also leveraged this partnership with some of our other ventures:

- Our Canadian milk brands have executed cause-marketing campaigns with KidSport, which lead to greater consumer awareness, while also amplifying KidSport's visibility through multiple online and in-store channels.
- We also integrated KidSport in our internal Saputo sports tournaments, encouraging our participating employees to raise funds for the non-profit. Employees raised $17,000 for the charity at our hockey and soccer tournaments – which covered the sports registration fees for 56 kids.
- Finally, three of our employees have joined the Board of KidSport Quebec and are actively taking part in KidSport's growth in the province.

KidSport is just one example of the great things we can accomplish with our partners. Not only are we making important financial contributions to a valued community partner, but we also leverage our partnership to create meaningful opportunities for our stakeholders.

On top of our work with foodbanks, we also donate our products to charities and non-profit organizations on a regular basis to address the needs of local communities.

PERFORMANCE DATA SUMMARY AND SASB INDEX

Performance Data Summary

PILLAR	METRIC	UNITS	FY24	FY23	FY22	FY21	FY20
Food Quality and Safety	% of facilities certified to GFSI standards	%	100%	100%	100%	98%	98%
	% of certified facilities with Good or Excellent GFSI audit rating	%	100%	100%	100%	100%	100%
	% of ingredients sourced from Tier 1 supplier facilities certified to GFSI	%	95%	97%	96%	96%	
	Total number of notices of food safety violation received	#	0	1	4		
	% of food safety violations corrected	%		100%	100%		
	Number of recalls issued	#	0	3	2	2	
Our People	**Diversity, Equity, and Inclusion**						
	% women in total workforce	%	29%	29%	28%	28%	28%
	% women in senior management		24%	25%	25%	21%	16%
	% women in senior management – C- suite	%	23%	20%	27%		
	% women in senior management – VP and SVP	%	24%	25%	25%		
	% women in managers roles (Director, Manager, Supervisor)	%	31%	29%	28%		
	% women in individual Contributors all levels below Supervisors	%	28%	29%	29%		
	% women in individual Contributors Professional roles	%	46%	46%	45%		
	% women on Board of Directors	%	55%	60%	55%	50%	50%
	% internal promotions awarded to women	%	36%	36%	33%	36%	34%
	Health and safety						
	Total injury frequency	#	2.86	3.13	3.62	3.76	3.59
	Lost time injury frequency	#	1.24	1.40	1.37	1.61	1.36
	Fatality	#	0	1	0	0	1
	Talent						
	Total internal promotions	#	1,359	1,434	1,476	943	1,080
	Total training and development investments	million of $	12.6	12.1	9	8.1	8.2
	Total training and dev. hours[1]	# of hours	194,785	109,198			
	Average tenure	years	9.2	9.3	9.2	10	10
	% of unionized employees	%	34%	34%	35%	35%	36%
	Global turnover	%	19%	23%	24%	17%	
Business Ethics	Number of significant fines for non-compliance	#	0	3	0	0	1
	Monetary value of significant fines for non-compliance	million of $	0	3.1	0	0	0.16

1 The methodology to calculate training hours was reviewed in FY24 to avoid double counting. Previous year number was restated where data was available.

PILLAR	METRIC	UNITS	FY24	FY23	FY22	FY21	FY20
Responsible Sourcing	**Sustainable Ingredients**						
	% of food ingredients sourced that are certified to third-party environmental and/or social standards, and percentages by standard: Palm oil (RSPO certified)	%	100%	100%	100%		
	% of milk sourced from regions with High or Extremely High Baseline Water Stress	%	47%	24%	26%		
	Animal Welfare						
	% of direct supplier verified to meet animal welfare standards	%	100%	100%	100%		
	Case of animal cruelty reported resulting in suspension of supply	#	1	3	1	2	2
	Numbers of people impacted by animal welfare training through our partnerships (employee training)	#	28,829	28,933	31,115	38,252	21,221
Environment	**Energy and GHG Emissions**						
	Total energy consumed	GJ	13,927,514	14,198,121	14,314,101	14,760,288	14,485,795
	CO_2 intensity (√)	tonne CO_2e/ tonne of product	0.1827	0.1926	0.2048	0.2157	0.2221
	Energy intensity	GJ/tonne of product	2.89	2.97	2.95	3.15	3.00
	Scope 1 GHG emissions (√)	Tonne CO_2e	509,543	520,784	526,479	528,089	546,195
	Scope 2 GHG emissions (market-based) (√)	Tonne CO_2e	369,574	396,889	468,629	482,145	525,966
	Scope 3 GHG emissions	Tonne CO_2e	13,825,661	13,848,474	13,571,197	13,490,191	13,486,413
	Waste						
	% waste diverted from landfill	%	46%	45%	49%	60%	50%
	Total waste – inorganics	Tonnes	33,937	33,599	26,207	39,599	41,502
	Total waste – sludge and brine	Tonnes	140,739	145,385	107,378	107,412	71,847
	Total waste – food waste	Tonnes	26,644	27,134	33,891	33,192	31,085
	Total weight of packaging	Tonnes	207,052	207,998	216,748	227,002	213,019
	Product to packaging ratio	kg packaging/ kg of product	0.051	0.049	0.049	0.054	0.048
	% of plastic packaging made from recycled and/ or renewable materials	%	0.5%	0.6%	0.7%	0.3%	0.3%
	% of packaging that is recyclable, reusable and or compostable	%	80%	85%	80 %	69%	68%
	Water						
	Water withdrawal (√)	m^3	24,071,722	24,218,443	24,480,594	24,296,649	24,427,531
	% water withdrawal in regions with High or Extremely High Baseline Water Stress	%	50%	28%	29%	30%	29%
	Water intensity (√)	m^3/ tonne of product	5.00	5.08	5.04	5.19	5.06
	Water quality compliance rate	%	98%	99%	94%	97%	98%

PILLAR	METRIC	UNITS	FY24	FY23	FY22	FY21	FY20
Nutrition	% of products which meet our NPM	%	82%	82%	82%		
Community	Total value of community footprint	million of $	16.17	12.21	15.32	16.41	10.46
	Total value of community footprint as a % of pre-tax profit	%	2.4%	1.8%	1.8%	1.8%	1.1%
	Total value of community investment against our target of 1%	million of $	7.94	7.49	8.77	6.90	10.0
	Total value of community investment as a % of pre-tax profit	%	1.2%	1.1%	1.0%	0.9%	1.0%
	Total number of people reached through our healthy living partnerships and programs	million people	4.4	4.2	3.6	2.9	2.6
	Number of Legacy projects funded to date	#	80	66	62	52	50

SASB Index

This index highlights where specific metrics, as detailed in the SASB Standard for Processed Foods, can be found in this Report. As Saputo is a dairy processor, the Processed Foods Standard represents the most relevant Standard for our organization.

ACCOUNTING METRIC	CATEGORY	UNIT OF MEASURE	CODE	RESPONSE
Energy Management				
Total energy consumed Percentage grid electricity Percentage renewable	Quantitative	Gigajoules (GJ), Percentage (%)	FB-PF-130a.1	(1) 13,927,514 GJ (2) 38% of energy consumed represents grid electricity. (3) 11% Percentage of renewable Read more about this on page 32 of this Report.
Water Management				
Total water withdrawn Total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress	Quantitative	Thousand cubic meters (m^3), Percentage (%)	FB-PF-140a.1	(1) 24,071,722 m^3 (√) (50% withdrawn in regions with Extremely High Baseline Water or High Baseline Water Stress). (2) Due to the nature of our business, we were water positive by 1,825,648 m^3 in FY24 (√) 74% of the water was returned to regions with Extremely High Baseline Water Stress or High Baseline Water Stress). Based on the WRI Aqueduct tool. Read more about this on page 33 of this Report.
Number of incidents of non-compliance associated with water quantity and/or quality permits, standards, and regulations	Quantitative	Number	FB-PF-140a.2	In FY24, we had no significant fines for non-compliance associated with water quantity and/or quality permits, standards, and regulations. We define significant fines as all matters for which a regulatory body or tribunal has issued a fine that either: (a) has a monetary value of $100,000 or more; or (b) has a monetary value of less than $100,000 in relation to a material regulatory breach (e.g., fatality, serious injury, significant environmental damages).
Description of water management risks and discussion of strategies and practices to mitigate those risks	Discussion and Analysis	n/a	FB-PF-140a.3	Read more about this on page 33 of this Report.
Food Safety				
Global Food Safety Initiative (GFSI) audit Non-conformance rate Associated corrective action rate for (a) major and (b) minor non-conformances	Quantitative	Rate	FB-PF-250a.1	100% of Saputo-owned manufacturing facilities were certified against a recognized GFSI Standard–100% of which achieved a Good or Excellent rating. The GFSI non-conformance rate was 4%. Corrective actions were implemented for 100% of the major non-conformances identified and for 100% of the minor non-conformances identified. Read more about this on page 14 of this Report.
Percentage of ingredients sourced from Tier 1 supplier facilities certified to a Global Food Safety Initiative (GFSI) recognized food safety certification program	Quantitative	Percentage (%) by cost	FB-PF-250a.2	Globally, 95% of our ingredient suppliers (by spend) were GFSI certified. Read more about this on page 14 of this Report.
Food Safety				
Total number of notices of food safety violations received Percentage corrected	Quantitative	Number, Percentage (%)	FB-PF-250a.3	On a global basis, Saputo received zero notice of food safety violations in FY24. Read more about this on page 14 of this Report.
Number of recalls issued Total amount of food product recalled	Quantitative	Number, Metric tonnes (t)	FB-PF-250a.4	On a global basis, Saputo conducted zero voluntary recalls of products we manufactured and/or distributed during FY24. Read more about this on page 14 of this Report.
Health and Nutrition				
Revenue from products labelled and/or marketed to promote health and nutrition attributes	Quantitative	Reporting currency	FB-PF-260a.1	Read more about this on page 37 of this Report. Specific metric is not available for FY24.
Discussion of the process to manage products and ingredients related to nutritional and health concerns among consumers	Discussion and Analysis	n/a	FB-PF-260a.2	Read more about this on page 37 of this Report.
Product Labelling and Marketing				
Percentage of advertising impressions: Made on children Made on children promoting products that meet dietary guidelines	Quantitative	Percentage (%)	FB-PF-270a.1	Read more about this on page 37 of this Report. Specific metric is not available for FY24.
Revenue from products labelled as: Containing genetically modified organisms (GMOs) Non-GMO	Quantitative	Reporting currency	FB-PF-270a.2	Specific metric is not available for FY24. We adhere to the highest standards of food safety and quality, and respect labelling regulations in every market where we operate. As a dairy processor, our main ingredient is milk. All countries where we operate are members of the International Dairy Federation (IDF). We support the IDF position that feeding dairy animals GMO feed, or its conventional equivalent, does not have an impact on milk composition. When the cow digests and assimilates the feed, the constituents of the feed are degraded, in particular the DNA and proteins. Thus, analysis can never result in finding genetically modified DNA in the milk of a cow fed with GMO feed. We recognize that consumers have different preferences. To ensure we meet those needs, we produce and distribute a wide array of dairy products, including organic brands, so that consumers can choose the products they want. Consistent with applicable regulation and industry standards, our organic brands do not contain GMOs/bioengineered ingredients.
Number of incidents of non-compliance with industry or regulatory labelling and/or marketing codes	Quantitative	Number	FB-PF-270a.3	There were zero significant incident of non-compliance related to labelling and/or marketing code in FY24. We define significant incidents as all matters for which a regulatory body or tribunal has issued a fine that either: (a) has a monetary value of $100,000 or more; or (b) has a monetary value of less than $100,000 in relation to a material regulatory breach (e.g., fatality, serious injury, significant environmental damages, etc.). Read more about this on page 37 of this Report.

ACCOUNTING METRIC	CATEGORY	UNIT OF MEASURE	CODE	RESPONSE
Product Labelling and Marketing				
Total amount of monetary losses as a result of legal proceedings associated with labelling and/or marketing practices	Quantitative	Reporting currency	FB-PF-270a.4	There were zero significant incident of non-compliance related to labelling and/or marketing code in FY24. Read more about this on page 37 of this Report.
Packaging Lifecycle Management				
Total weight of packaging Percentage made from recycled and/or renewable materials Percentage that is recyclable, reusable and/or compostable	Quantitative	Metric tonnes (t), Percentage (%)	FB-PF-410a.1	(1) 207,052 tonnes (2) 0.5% is made from recycled and/or renewable materials. This is for plastic packaging only, which is the scope of our 2025 target. The percentage when all types of packaging are included is estimated at 75% (based on FY20 data). (3) 80% is recyclable, reusable and/or compostable. Read more about this on page 36 of this Report.
Discussion of strategies to reduce the environmental impact of packaging throughout its lifecycle	Discussion and Analysis	n/a	FB-PF-410a.2	Read more about this on page 36 of this Report.
Environmental and Social Impacts of Ingredient Supply Chain				
Percentage of food ingredients sourced that are certified to third-party environmental and/or social standards, and percentages by standard	Quantitative	Percentage (%) by cost	FB-PF-430a.1	Read more about this on page 25 of this Report. Last year, we sourced 22,026 MT of palm oil, all of which were RSPO certified.
Suppliers' social and environmental responsibility audit Non-conformance rate Associated corrective action rate for (a) major and (b) minor non-conformances	Quantitative	Rate	FB-PF-430a.2	Read more about this on page 22 of this Report. Specific metric is not available for FY24.
Ingredient Sourcing				
Percentage of food ingredients sourced from regions with High or Extremely High Baseline Water Stress	Quantitative	Percentage (%) by cost	FB-PF-440a.1	The percentage of milk we source from regions with high or extremely high water stress is evaluated at 47%. The significant change compared to last year is mainly a result of an update in the Aqueduct dataset, the tool we use to assess our water risks. Read more about this on page 33 of this Report.
List of priority food ingredients and discussion of sourcing risks due to environmental and social considerations	Discussion and Analysis	n/a	FB-PF-440a.2	Read more about this on page 25 of this Report.

ACTIVITY METRIC	CATEGORY	UNIT OF MEASURE	CODE	RESPONSE
Weight of Products Sold	Quantitative	Metric tons (t)	FB-PF-000.a	We do not disclose production or sales volumes externally. In FY24, our sales generated 17,342 million in revenues.
Number of Production Facilities	Quantitative	Number	FB-PF-000.b	65

Caution regarding forward-looking statements

This report contains statements which are forward-looking statements within the meaning of applicable securities laws. These forward-looking statements include, among others, statements with respect to our objectives, outlook, business projects, strategies, beliefs, expectations, targets, commitments, goals, ambitions and strategic plans including our ability to achieve these targets, commitments, goals, ambitions and strategic plans, and statements other than historical facts. The words "may", "could", "should", "will", "would", "believe", "plan", "expect", "intend", "anticipate", "estimate", "foresee", "objective", "continue", "propose", "aim", "commit", "assume", "forecast", "predict", "seek", "project", "potential", "goal", "target", or "pledge", or the negative of these terms or variations of them, the use of conditional or future tense or words and expressions of similar nature, are intended to identify forward-looking statements. All statements other than statements of historical fact included in this report may constitute forward-looking statements within the meaning of applicable securities laws.

By their nature, forward-looking statements are subject to inherent risks and uncertainties. Actual results could differ materially from those stated, implied, or projected in such forward-looking statements. As a result, we cannot guarantee that any forward-looking statements will materialize, and we warn readers that these forward-looking statements are not statements of historical fact or guarantees of future performance in any way. Assumptions, expectations, and estimates made in the preparation of forward-looking statements and risks and uncertainties that could cause actual results to differ materially from current expectations are discussed in our materials filed with the Canadian securities regulatory authorities from time to time, including the "Risks and Uncertainties" section of the Management's Discussion and Analysis dated June 6, 2024, available on SEDAR+ under the Company's profile at sedarplus.ca.

Such risks and uncertainties include the following: product liability; the availability and price variations of milk and other inputs, our ability to transfer input costs increases, if any, to our customers in competitive market conditions; supply chain strain and supplier concentration; the price fluctuation of dairy products in the countries in which we operate, as well as in international markets; our ability to identify, attract, and retain qualified individuals; the increased competitive environment in our industry; consolidation of clientele; cyber threats and other information technology-related risks relating to business disruptions, confidentiality, data integrity business and email compromise-related fraud; unanticipated business disruption; continuing economic and political uncertainties, resulting from actual or perceived changes in the condition of the economy or economic slowdowns or recessions; public health threats, such as the recent global COVID -19 pandemic, changes in consumer trends; changes in environmental laws and regulations; the potential effects of climate change; increased focus on environmental sustainability matters; the failure to execute our Global Strategic Plan as expected or to adequately integrate acquired businesses in a timely and efficient manner; the failure to complete capital expenditures as planned; changes in interest rates and access to capital and credit markets. There may be other risks and uncertainties that we are not aware of at present, or that we consider to be insignificant, that could still have a harmful impact on our business, financial state, liquidity, results, or reputation.

Forward-looking statements are based on Management's current estimates, expectations and assumptions regarding, among other things; the projected revenues and expenses; the economic, industry, competitive, and regulatory environments in which we operate or which could affect our activities; our ability to identify, attract, and retain qualified and diverse individuals; our ability to attract and retain customers and consumers; our environmental performance; the results of our sustainability efforts; the effectiveness of our environmental and sustainability initiatives; our operating costs; the pricing of our finished products on the various markets in which we carry on business; the successful execution of our Global Strategic Plan; our ability to deploy capital expenditure projects as planned; reliance on third parties; our ability to gain efficiencies and cost optimization from strategic initiatives; our ability to correctly predict, identify, and interpret changes in consumer preferences and demand, to offer new products to meet those changes, and to respond to competitive innovation; our ability to leverage our brand value; our ability to drive revenue growth in our key product categories or platforms or add products that are in faster-growing and more profitable categories; the successful execution of our M&A strategy; the market supply and demand levels for our products; our warehousing, logistics, and transportation costs; our effective income tax rate; the exchange rate of the Canadian dollar to the currencies of cheese and dairy ingredients. To set our financial performance targets, we have made assumptions regarding, among others: the absence of significant deterioration in macroeconomic conditions; our ability to mitigate inflationary cost pressure; the USA Market Factors (as defined in our Management's Discussion and Analysis dated June 6, 2024), ingredient markets, commodity prices, foreign exchange; labour market conditions and staffing levels in our facilities; the impact of price elasticity; our ability to increase the production capacity and productivity in our facilities; and the demand growth for our products. Our ability to achieve our environmental targets, commitments, and goals is further subject to, among others: our ability to access and implement all technology necessary to achieve our targets, commitments, and goals; the development and performance of technology, innovation and the future use and deployment of technology and associated expected future results; the accessibility of carbon and renewable energy instruments for which a market is still developing and which are subject to risk of invalidation or reversal; and environmental regulation. Our ability to achieve our 2025 Supply Chain Pledges is further subject to, among others, our ability to leverage our supplier relationships and our sustainability advocacy efforts. ▸

Management believes that these estimates, expectations, and assumptions are reasonable as of the date hereof, and are inherently subject to significant business, economic, competitive, and other uncertainties and contingencies regarding future events, and are accordingly subject to changes after such date. Forward-looking statements are intended to provide shareholders with information regarding Saputo, including our assessment of future financial plans, and may not be appropriate for other purposes. Undue importance should not be placed on forward-looking statements, and the information contained in such forward-looking statements should not be relied upon as of any other date.

Unless otherwise indicated by Saputo, forward-looking statements in this report describe our estimates, expectations and assumptions as of August 10, 2023, and, accordingly, are subject to change after that date. Except as required under applicable securities legislation, Saputo does not undertake to update or revise forward-looking statements, whether written or verbal, that may be made from time to time by itself or on our behalf, whether as a result of new information, future events, or otherwise. All forward-looking statements contained herein are expressly qualified by this cautionary statement. ■

Caution regarding disclosure on environmental targets

This report which reviews the Company's material ESG metrics for FY24 is not required to be prepared or filed by the Company under applicable securities law. We disclaim any intention or obligation to update or revise any assumptions comprised in this document, whether as a result of new information, future events or otherwise.

Because of the limitations and uncertainties inherent in climate and sustainability science, climate risk analysis and reporting, we have relied upon prevailing climate change quantification guidance and made reasonable and good faith estimates and assumptions in establishing our environmental targets. There are numerous factors, many of which are beyond the Company's control, that are the subject of ongoing climate and sustainability science and that we may not foresee or be able to accurately predict, and which may impact our ability to achieve these targets, including the availability of comprehensive and high-quality GHG emissions data, the availability of technology necessary to achieve these targets, the development and performance of technology, innovation and the future use and deployment of technology and associated expected future results, the accessibility of carbon and renewable energy instruments for which a market is still developing and which are subject to risk of invalidation or reversal, and environmental regulation.

In establishing our action plan to achieve our CO_2e intensity reduction targets, we have made assumptions relative to, among other things, the energy and CO_2 savings related to capital projects, the future production volumes and energy intensity related to our operations, future emission factors and the feasibility and availability of known technologies. In addition, there could be regulatory changes in the future which may impact how we measure, report on and verify our GHG emissions, and which may result in resetting our baselines, calculated emissions and targets. We note that the International Sustainability Standards Board is actively involved in setting such standards. To set, track and report on progress toward meeting our CO_2e intensity reduction targets, we rely on production, emissions, trends, and other data obtained from third-party sources. Although we believe these sources to be reliable, we have not independently verified any third-party data, or assessed the assumptions underlying such data, and cannot guarantee the accuracy of such third-party data or assumptions. The data needed to estimate our targets and reported figures may therefore be limited in quality, unavailable, or inconsistent across our operations. Our CO_2e emission reported figures are based on estimates and assumptions. Certain third-party data, such as Scope 3 emissions, may also change over time as standards, measurement and estimation methodologies evolve.

All of the factors described above may cause actual results to differ materially from our targets.