

Saputo



2022
SAPUTO
PROMISE
REPORT

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A Statement from Our CEO



Lino A. Saputo
 Chair of the Board,
 President and Chief Executive Officer,
 Saputo Inc.

Fiscal 2022 (FY22) was a year where significant challenges led to renewed focus for Saputo. We faced unprecedented obstacles that affected all our divisions to varying degrees as we sought to adapt and mitigate the impacts, reaping important learnings along the way. Through it all, our people continue to be the backbone of our business, helping us navigate this uncertain environment with agility and resilience. I'm incredibly grateful to our teams who bring their best to the table each day, supporting one another and working together to uphold our tradition of care, quality, and passion through food.

The Saputo Promise underpins everything we do and serves to drive, enable, and sustain our growth. We wrapped up our first three-year plan in FY22, and we're heading into the next phase with a firm dedication to delivering on our ESG objectives. The execution of our projects and our performance under the Environment and Our People Pillars weren't immune to the current operating dynamics, adding a layer of complexity. Nevertheless, significant progress was made across our seven Pillars, and we're proud to have achieved most of our three-year goals.

As we move towards achieving our targets around climate, water, and waste by 2025, we undertook 24 projects in FY22 that are going to bring productive wins, with an additional 32 projects slated for FY23. Among other initiatives, our partner Lightsource bp completed the construction of a five-megawatt solar project to provide renewable power for our Davidstow plant in the UK. Our renewable power purchase agreement in Australia started to deliver benefits, contributing to an expected reduction of 5% of our carbon intensity by 2025. We also worked with Wipak UK to replace 33% of the virgin plastic in certain cheese packaging with post-consumer recycled (PCR) material, an innovation we expect to roll out more widely as technology improves and the quantity of available materials increases. Proudly standing behind our 2025 commitments, we amended our US\$1 billion North American bank credit facility to introduce a sustainability-linked loan structure with an annual pricing adjustment tied to achieving our climate and water goals, and starting in FY23, these targets have been integrated into our long-term compensation structure.

Beyond the scope of our operations, we believe we have a key role to play in ensuring a sustainable and equitable food system, working in partnership with our farmers, suppliers, and industry partners. That's why, in FY22, we launched and began executing on our Supply Chain Pledges, which include sourcing 100% of our principal ingredients sustainably and contributing \$10 million to fund relevant projects by 2025.

In addition, we signed on to Pathways to Dairy Net Zero alongside several industry players to stimulate climate efforts and drive action to reduce greenhouse gas (GHG) emissions across the dairy sector as we aim to help the transition to a net zero food system by 2050.

Fostering diversity, equity, and inclusion (DE&I) remains at the forefront of our priorities. Over the past year, we took the time to understand our internal data to inform our next steps and identify potential opportunities for improvement. We're taking a deeper look at our programs and processes to ensure a more inclusive and diverse workforce.

Anchored in the most pressing ESG issues for our business, our next three-year plan (FY23-FY25) builds on the momentum of the past few years, ensuring continuity so our Promise continues to drive, enable and sustain our growth.

As we prepare to celebrate the fifth anniversary of the Saputo Promise later this year, its guiding principle of creating shared value is more relevant than ever to our strategy and our stakeholders. We extend our deepest thanks to our shareholders, employees, customers, suppliers, business partners, and the communities we serve for their enduring trust and support.

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

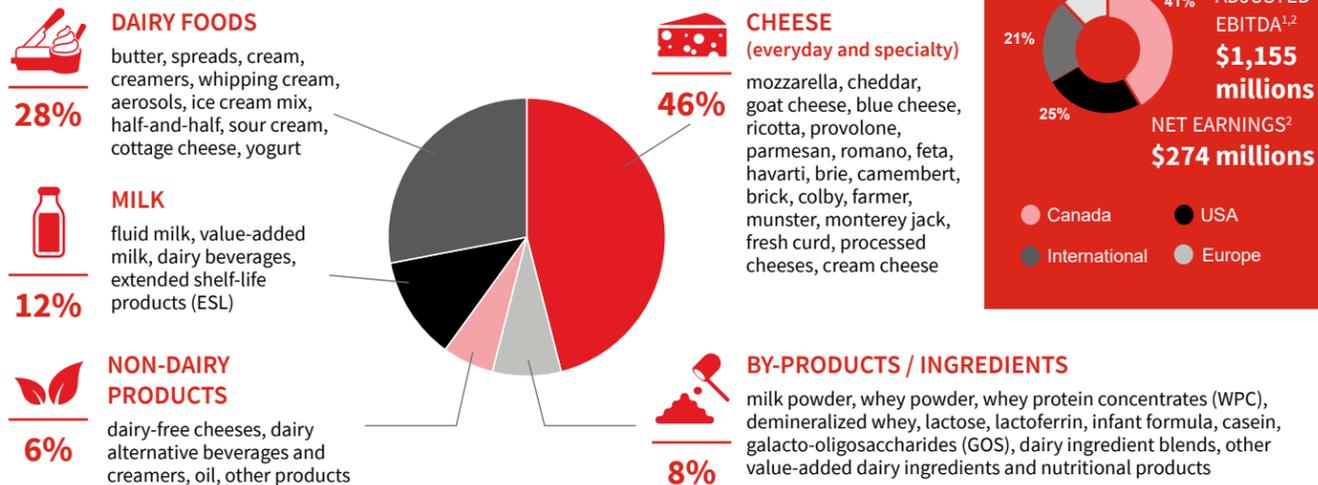
CANADA A leading cheese manufacturer and fluid milk and cream processor	UK Largest manufacturer of branded cheese and a top manufacturer of dairy spreads	USA One of the top three cheese producers and one of the largest producers of extended shelf-life and cultured dairy products
ARGENTINA Second largest dairy processor	AUSTRALIA Top dairy processor	

Saputo also produces, markets, and distributes a range of dairy alternative cheeses and beverages



Our Product Portfolio³

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



- Approx. **11 billion** litres of milk processed annually
- 67 plants**
70 distribution centres
2 innovation centres
- Approx. **18,600** employees
- Products sold in over **60 countries**
- REVENUES \$15,035 millions**
- ADJUSTED EBITDA^{1,2} \$1,155 millions**
- NET EARNINGS² \$274 millions**



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, 2022, 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, 2022 (in CDN dollars).
³ Percentage of consolidated revenues generated by these products for the year ended March 31, 2022.

About this Report

The Saputo Promise is our approach to social, environmental, and economic performance based on seven Pillars:



The Saputo Promise is at the heart of our business and keeps us aligned on what matters most. As we pursue growth, we aim to create shared value for all our stakeholders and ensure the long-term sustainability of our business.

We also recognize 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 that can impact our financial performance.

Materiality

In 2020, we undertook a materiality assessment to identify ESG topics to inform our annual Saputo Promise disclosure. Our materiality process involved four stages:

- 1 Identify potentially relevant ESG factors based on existing ESG standards and benchmarking;
- 2 Assess the level of materiality based on our business context, the likelihood of occurrence, and potential financial impact;
- 3 Organize material ESG factors; and
- 4 Review ESG-related disclosure to ensure all material information has been considered.

Following the identification and assessment process outlined above, key ESG factors were categorized into three levels based on their degree of materiality to investors and their potential to impact the value of the Company. Once again in this year's Saputo Promise Report, you will find our consolidated disclosure, which touches on the ESG-related factors identified by our 2020 materiality assessment:

SECTION OF THE REPORT	MATERIAL ISSUES FOR INVESTORS	MATERIALITY CATEGORY (***) = HIGHEST LEVEL)	PAGE
Our Approach	Corporate Governance	***	7
Food Quality and Safety	Food Safety	***	12
Our People	Human Resources	**	13
Business Ethics	Cybersecurity Business Ethics and Transparency	** *	18 19
Responsible Sourcing	Supply Chain – Environmental Supply Chain – Social Animal Welfare	*** ** *	20 21 23
Environment	Water Use in Operations Climate Risk - Physical Climate Risk - Transition Energy Use and Management Packaging and Plastics Environmental Impact of Operations	*** *** ** ** *** **	28 26 27 27 30 26
Nutrition and Healthy Living	Consumer Trends	***	32
Community			34

As we continue to monitor investor expectations, we have seen an increased awareness around ESG-factors in the last few months, such as human resources and cybersecurity. We expect our next formal materiality assessment to reflect the increased awareness of these ESG factors. The main risks and uncertainties we are exposed to, including ESG risks, are listed in full in our Management’s Discussion and Analysis dated June 9, 2022, available at saputo.com/en/investors/shareholder-reports/2022.

Again this year, we have aligned our disclosure with the Sustainability Accounting Standards Board’s (SASB) Standards for the Processed Foods industry. The full SASB Index can be found on [p.38](#). We have also aligned our disclosure on climate-related risks with the recommendations provided by the Task Force on Climate-related Financial Disclosures (TCFD).

Basis for Reporting

All data presented in this Report are prepared for the reporting period of April 1, 2021, to March 31, 2022, unless stated otherwise. For further details on the compilation of the data presented, please visit saputo.com/our-promise/reference-documents. All amounts in this Report are in Canadian dollars (CDN), unless otherwise indicated.

External Assurance

We engaged Ernst & Young LLP to perform a limited assurance on some of the 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 UN’s 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 since FY20 has been on the execution of our first Saputo Promise three-year plan (FY20-FY22). Significant progress has since been made across our seven Pillars, and we are proud to have achieved most of our three-year goals.

In FY22, we reviewed our three-year plan (FY23-FY25) to ensure our strategy remains relevant to today’s most pressing material issues for our business. Building on the success of this plan, and with our growth strategy in mind, our FY23-FY25 plan will ensure continuity and that our Promise continues to drive, enable and sustain our growth.

FY23-FY25 PLAN

PILLAR	THREE-YEAR GOALS
<p>Food Quality and Safety</p>	<p>Improve our Food Quality and Safety performance by developing our Food Safety Culture, global standards and training, and infrastructures.</p>
<p>Our People</p>	<p>Improve our workplace diversity, gender representation and inclusion index to enhance high-performing and innovative teams.</p> <p>Increase talent attraction, retention, and engagement to optimize operations and strengthen our core business.</p> <p>Improve our well-being index by developing a holistic program that is aligned to employee needs.</p> <p>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.</p>
<p>Business Ethics</p>	<p>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.</p> <p>Reduce our regulatory and reputational risks related to data privacy across our operations by developing a global approach.</p> <p>Improve ESG disclosure to meet evolving investors’ expectations and regulatory requirements.</p>
<p>Responsible Sourcing</p>	<p>Improve animal welfare by advocating for appropriate animal care standards, proactively managing our animal welfare risks, and contributing to the advancement of best practices.</p> <p>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.</p>
<p>Environment</p>	<p>Reduce our environmental impacts by delivering on our 2025 Environmental Pledges.</p>
<p>Nutrition</p>	<p>Improve the nutritional quality and performance of our global product portfolio to meet consumer needs.</p> <p>Improve the overall perception of dairy through national and global advocacy initiatives.</p>
<p>Community</p>	<p>Improve access to nourishing foods and active lifestyles in our communities.</p>

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 environment and food safety. 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 9, 2022, and available at: saputo.com/en/investors/shareholder-reports/2022.
- The Corporate Governance and Human Resources Committee oversees business ethics; diversity, equity, and inclusion; health and safety; and human resources risks.

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”) Global 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.

ESG Governance: Managing ESG Risk and Opportunity



OUR FY22 PERFORMANCE

Summary of Our Progress

- Good progress
- Goal not met
- Some progress
- Baseline

PILLAR	THREE-YEAR GOALS (FY20-FY22)	PROGRESS	COMMENT
Food Quality and Safety	<ul style="list-style-type: none"> Maintain compliance with all regulatory and customer requirements Invest in our assets to proactively manage food safety risks Grow our food safety culture Continue our involvement with external partners to share our best practices in food safety 	●	<p>We continued to embed a strong food safety culture in all our operations and maintained a strong food safety focus. In FY22, 100% of our facilities were certified to GFSI standards and maintained high scores – achieving either Good or Excellent audit ratings. Read more on p.12</p>
Our People	Diversity, Equity & Inclusion	●	<p>We continued to step up our DE&I initiatives with the organization of global DE&I events and focus groups, and the launch of a new workplace flexibility program and unconscious bias training for employees. We are proud to have increased diversity on our Board, including a strong gender representation, with 55% of our Board members being women. We also continued to progress towards greater representation of women at the senior level, with a 10% increase, from 15% to 25%, in the last five years. Recognizing that fostering a diverse workplace is an ongoing journey, we have concentrated most of our efforts in FY22 on gender while increasing awareness about the different types of diversity through different initiatives such as celebrating global days of significance and developing employee resources groups. Read more on p.13</p>
	Working Conditions	●	<p>With people leaving their jobs at exponential rates across many industries, we were not immune to the effects of the “Great Attrition.” This led to a global turnover rate of 24%, resulting in a yellow rating. To mitigate this, we implemented a series of initiatives to attract key talent, including launching a referral and new hire incentive program, enhancing compensation packages, and aggressively expanding recruitment outreach. With an increased focus on work-life balance and work flexibility, we also launched a series of initiatives to retain employees and ensure their well-being within our organization. Read more on p.15</p>
	Health & Safety	●	<p>We continued our efforts to build a strong health and safety culture with a renewed focus on increasing our capabilities and sharing best practices. Our lagging indicators improved slightly in FY22 after having trended negatively in FY21 due to the pandemic. Read more on p.17</p>
Business Ethics	Code of Ethics	●	<p>We maintained a strong focus on our Business Ethics Pillar, where we invested efforts in protecting our information systems and maintaining the confidentiality and privacy of our customers and employees. Read more on p.18</p>
	Compliance	●	<p>We had no significant fines for non-compliance. Read more on p.19</p>

PILLAR	THREE-YEAR GOALS	PROGRESS	COMMENT
Business Ethics	<p>Transparency</p> <ul style="list-style-type: none"> Improve our external reporting and information sharing 	●	<p>We continued to make progress in increasing transparency and disclosures to our investors, expanded the content of our annual Saputo Promise Report, and aligned our reporting to recognized frameworks such as SASB and TCFD. We have seen a positive trend in some of our ESG ratings as a result, such as MSCI and Sustainalytics in FY22. Read more on p.35</p>
Responsible Sourcing	Animal Welfare	●	<p>We maintained our ongoing support to promote and advocate for strong animal care standards outlined in our Animal Welfare Policy. In FY22, 100% of our direct milk supply was assessed to ensure compliance with our animal welfare standards. We continued our partnerships with the University of Wisconsin and the University of Guelph and reached more than 31,115 people through various initiatives. These include workshops, webinars, industry presentations, and access to online training tools, which were either hosted or made available by our partners or field staff. Read more on p.23</p>
	Supply Chain	●	<p>In FY22, we allocated resources to build our sustainable agriculture expertise and established our global sustainable agriculture standards, defining the farming practices we expect from our milk suppliers. We joined the Pathways to Dairy Net Zero, an initiative to help accelerate climate efforts in the dairy industry, and the Sustainable Agriculture Initiative Platform, a global, non-profit network of over 160 members working to advance sustainable agricultural practices through pre-competitive collaboration. Read more on p.21</p>
Environment	Through our environmental pledges:		<p>We made strides towards our 2025 environmental targets, allocating our three-year CDN\$50 million investment to more than 65 projects across our network, aimed at delivering notable climate, water, and waste savings. Some of these investments started delivering results in FY22, and we see our environmental metrics beginning to trend in the right direction as a result. The execution of our projects wasn't immune to the current operating dynamics such as labour and supply chain challenges, adding a layer of complexity. Consequently, we are behind in some of the execution plans, which results in a yellow rating. Read more on p.24</p>
	<ul style="list-style-type: none"> Enhance our ability to proactively manage environmental risks and opportunities Reduce our resource dependency, operating costs and environmental impact Drive business value by addressing relevant environmental opportunities 		
Nutrition and Healthy Living	<ul style="list-style-type: none"> Proactively manage regulatory and reputational risks related to nutrition 	●	<p>In FY22, we completed the mapping of our global portfolio as part of our new Nutrient Profiling Model (NPM), giving us insight into the nutritional performance of our products. Currently, 82% of our products meet our Nutrient Profiling Model, with 8% meeting our Level 1 criteria, which is the most stringent level in our Model. Driven by our consumers' needs, we aim to continue to improve the nutritional quality and performance of our global product portfolio as part of our renewed three-year plan. Read more on p.32</p>
Community	<ul style="list-style-type: none"> Invest 1% of pre-tax profits in our communities each year Maximize the impact of our community investments Engage employees in volunteerism to attract and retain talent 	●	<p>In FY22, we exceeded our target of donating 1% of our pre-tax profits to our community partners, investing \$16.07 million, and impacting more than three million people through our established community investment program. Read more on p.34</p>

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.

100%

In FY22, 100% of our facilities were certified to GFSI¹ 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 FY22, 96% of our third-party ingredient suppliers were also GFSI-certified.

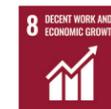
We ensure systems are in place for tracing products and raw materials. Since we always put food safety first, we have robust contingency processes and precautionary measures in place, enabling us to take proactive and immediate action when necessary.

In FY22, there were two recalls of our products, and in both cases, our contingency processes resulted in the products being swiftly removed from the market with no impact on our consumers.

METRIC	FY22	FY21	FY20	FY19	FY18
% of facilities certified to GFSI standards	100%	98%	98%	98%	94%
% 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 standards	96%	96%			
Total number of notices for food safety violations received	4	0			
Percentage of food safety violations corrected	100%				
Number of recalls issued	2	2			

¹ Global Food Safety Initiative (GFSI)

Our People



Our employees are by far our most important asset. We care about their health and well-being and strive to provide them with the best possible work environment—one that is safe, diverse, equitable, inclusive, and values-driven.

Diversity, Equity, and Inclusion (DE&I)

We recognize that a diverse, equitable, and inclusive environment facilitates a broader exchange of perspectives. DE&I not only enriches discussion but also more accurately reflects our relationship with our employees, shareholders, customers, consumers, business partners, and other stakeholders.

Everyone wants 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 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.

We believe that diversity not only drives innovation through the sharing of ideas but better positions us to answer to the growing needs and interests of our diverse stakeholders, including the customers and consumers we serve. Supported by our [Board Diversity Policy](#), we are proud to have increased diversity on our Board, including a strong gender representation, with 55% of our Board members being women.

The value placed on diversity at the Board level also exists at all levels of the organization. To this end, we updated our [DE&I Policy](#) in FY22 to make it more robust and inclusive. Recognizing that fostering a diverse workplace is an ongoing journey, we have concentrated most of our efforts in FY22 on gender while increasing awareness about the different types of diversity through different initiatives such as celebrating global days of significance and developing employee resources groups.

To best achieve this, our approach is to embed DE&I principles in all programs, processes, and practices that touch the employee life cycle. And through these practices, we embrace each individual's uniqueness, similarities, and differences, which can be expressed in many ways (i.e., race, national or ethnic origin, colour, religion, age, gender, sexual orientation, marital status, civil status, diversity in abilities (physical and cognitive), experiences, thoughts, and beliefs), in accordance with our corporate values and the laws of the countries in which we operate.

“55% of our Board members are women.”

We are committed to:

- Conducting ongoing DE&I assessments of our workplace and workforce, to identify areas of opportunities;
- Leveraging our employees' feedback to implement meaningful actions that contribute to elevating their sense of belonging and achieving our DE&I objectives;
- Implementing programs, processes, and guidelines that will have a positive, long-term impact on our employees, shareholders, customers, consumers, business partners, and communities;
- Providing the necessary tools, resources, and learning opportunities for employees at all levels to fully contribute and feel empowered to promote and support a diverse, inclusive, and equitable workplace;
- Creating a work environment in which individual differences and contributions are recognized and valued while promoting dignity and respect for everyone;
- Reinforcing the standard of behaviour for all our officers and employees, as set out in our Code of Ethics; and
- Promoting the use of inclusive language when communicating internally and externally.

Our focus areas to continue to foster greater diversity and inclusivity include:

- Unconscious bias training to all people leaders in our offices and in our plants;
- A global DE&I-centred event with personal testimonials from our leaders;
- Promotion of DE&I-related days of significance (ex. Black History Month, International Women’s Day, National Day for Truth and Reconciliation, International Day of Persons with Disabilities, World Day for Cultural Diversity for Dialogue and Development, Pride Month, etc.);
- Expanded parental leave benefits;
- A permanent workplace flexibility program;
- A targeted development program for women that includes sponsorship, mentorship, and leadership development; and
- Guidelines and training on inclusive recruitment practices for recruiters.

Although the percentage of women in our total workforce remains relatively unchanged, we continue to progress towards greater representation of women at the senior management level, with a 10% increase in the last five years.

METRIC	FY22	FY21	FY20	FY19	FY18
% women in total workforce	28%	28%	28%	28%	30%
% women in senior management	25%	21%	16%	16%	15%
% women in senior management (C-suite)	27%				
% women in senior management (VP and SVP- level)	25%				
% women in management roles (Supervisor, Manager, and Director)	28%				
% women in individual contributor/professional roles	29%				
% women on Board of Directors	55%	50%	50%	50%	50%
% internal promotions awarded to women	33%	36%	34%	37%	29%



CASE STUDY

National Day for Truth and Reconciliation

We were all shaken by the tragic discoveries related to residential schools in Canada last year. These events exposed a deep wound that continues to be felt today by communities across the country.

As a first step in the reconciliation process with Indigenous communities, the Canadian government adopted legislation to make September 30th the National Day for Truth and Reconciliation, also known as Orange Shirt Day. On this occasion, we invited our Canadian employees to participate in two conferences led by Indigenous speakers to recognize and commemorate the history and ongoing legacy of residential schools and honour their survivors, their families, and communities. More than 500 employees joined the conversation to learn and talk about reconciliation. Read more about this case study at saputo.com/our-promise/case-studies.

Working Conditions

At Saputo, our culture continues to guide our daily actions and the way we treat each other—with care, respect, and kindness. Every day, we strive to provide the best environment for our teams, whose collective passion is the driving force behind our success.

Saputo’s success depends on our ability to identify, attract, and retain qualified individuals and execute appropriate succession planning for Management and key roles. These are key goals embedded in our Saputo Promise three-year plan and critical enablers of our growth, particularly with the current highly competitive labour market. We endeavour to be an employer of choice for top diverse talent in the dairy industry, recognized for our values and commitment to our employees.

In FY22, we continued to experience challenges in attracting and retaining talent—particularly in the U.S. With people leaving their jobs at exponential rates across many industries, we were not immune to the effects of the “Great Attrition” with our global turnover reaching 24%.

We carried out a series of initiatives to attract key talent, including:

- Launching an employee referral program;
- Increasing the hiring wage for select roles;
- Increasing advertising activities such as structured social media outreach and targeted recruitment campaigns;
- Organizing increased recruitment events;
- Building strategic relationships with schools and universities for recruitment purposes; and
- Enhancing our internship program.

With an increased focus on work-life balance and work flexibility, we also launched a series of initiatives to retain our employees and ensure their well-being within our organization. These include:

- New hybrid work arrangements (Saputo Flex);
- Wellness-centred activities such as conferences and communications;
- Employee welfare enhancements/ investments; and
- A pilot program granting paid time off for voluntarism in the U.S.



We also revamped our global performance management program, Saputo Connect. It aims to support our employees' ongoing development and encourage colleagues to have consistent, meaningful discussions with their managers about their goals, development plans, and career aspirations. Furthermore, we increased our efforts to promote from within in FY22 as we face challenges around employee retention which translated into 1,476 internal promotions.

We invest in our people to create a learning culture that encourages personal growth in a way that fits each person's unique set of goals and ambitions while meeting our business objectives. In FY22, we developed and launched our Saputo Competency Framework. Reflecting our values and aligned with our global business goals, our Competency Framework provides a roadmap of the skills, knowledge, and behaviours needed for employees to succeed in current and future roles. In addition, we developed and launched additional development programs for plant managers and leaders of our organization.

In FY22, we invested approximately 509,550 hours and \$9.0m in employee development initiatives, which represents 30.8 hours and \$545 per employee.

METRIC	FY22	FY21	FY20	FY19	FY18
Total internal promotions	1,476	943	1,080	1,066	1,058
Total investments in training and development (in millions of CDN dollars)	9.0	8.1	8.2	5.8	4.5
Total hours spent on training and development	509,550	334,855	402,435	194,406	73,137
Average tenure	9.2	10	10	10	10
% of unionized employees	35%	35%	36%	36%	36%
Global turnover	24%	17%			



Health and Safety

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](#), we have been intensifying our efforts relating to our global approach to health and safety to build a culture where our people are an integral part of the solution. Our divisions are coming together to make sure we share a common mindset and leverage best practices globally to build safety capacity across our operations.

Throughout FY22, we remained focused on monitoring the evolution of the pandemic and adapting our measures to safeguard the health and safety of our people. We also met the schedule we set ourselves to develop our global standards to be implemented by FY25 and continued to embed our safety principles into our everyday practices—consistently sharing examples of our principles in action and leveraging them to guide our daily decision-making process.



LEADERSHIP

We insist employees at all levels of the organization lead by example and embody our safety principles.



RESOURCES

We ensure our people have the right equipment, standards, and expertise to perform their employment activities safely.



EMPOWERMENT

We trust our employees to make decisions that ensure a safe environment for all.



LEARNINGS

We have a safety-first mindset and we prevent incidents by continually learning from successes, near misses, and best practices.



COMMITMENT

We embed health and safety principles into everything we do.

In FY22, our Total Injury Frequency Rate (TIFR) improved by 4% and our Lost Time Injury Frequency Rate (LTIFR) improved by 15%.

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	FY22	FY21	FY20	FY19	FY18
Total injury frequency	3.62	3.76	3.59	4.82	4.95
Lost time injury frequency	1.37	1.61	1.36	1.77	1.96
Fatality	0	0	1	0	0



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 employees to be driven by the values we share and promote.

We have global procedures in place to comply with laws, regulations, and industry standards. In FY22, we had no significant fines for non-compliance.

At a Court hearing in September 2021, Dairy Crest Limited (trading as Saputo Dairy UK) pleaded guilty to offences for breaches to its Environmental Permit at the Davidstow Creamery dating back to 2016. In June 2022, the Company was ordered by the Court to pay a fine of £1.52 million which will appear in our FY23 Report. Considerable work has been undertaken to rectify the historic issues to which the prosecution related.

In line with our commitment to continuous improvement, our policies evolve to reflect best practices and the changing needs of our customers and the marketplace. Accordingly, our [Code of Ethics](#), which guides us in our day-to-day operations, was reviewed to ensure its alignment with the standards and requirements of all our divisions and to address human rights issues important to our organization.

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.

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.

Our corporate governance initiatives ensure the highest 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.

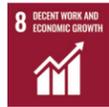
We also appreciate the importance shareholders place on effective executive compensation policies and practices and are committed to maintaining an ongoing engagement process with our shareholders by adopting measures to gather constructive feedback. To this end, our Board of Directors invites shareholders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

We continued to make progress in increasing transparency and disclosure to our investors, expanded the content of our annual Saputo Promise Report, and aligned our reporting to recognized frameworks such as SASB and TCFD. As a result, we have seen a general positive trend in our ESG ratings in FY22.

METRIC	FY22	FY21	FY20	FY19	FY18
Number of significant fines for non-compliance	0	0	1	1	0
Monetary value of significant fines for non-compliance (in millions of CDN dollars)	0	0	0.16	0.19	0



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.

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 FY22, 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. Currently, both our Dairy Division (Australia) and our Dairy Division (UK) have a legal obligation to produce a modern slavery statement under national regulations, which contain additional details on some of the actions we are taking. These reports are available on saputodairyaustralia.com.au/our-promise/reference-documents and uk.saputo.com/our-promise/reference/.

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.

Sustainable Ingredients

We recognize the importance of the transition to a net-zero world by 2050 to limit global warming to well below 2°C as targeted by the Paris Agreement and the need to transform the way food is grown and produced globally. 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:

- Transition to a net-zero food system by 2050 and halt deforestation;
- Protect biodiversity and preserve soil health;
- Protect and preserve water ecosystems; and
- Improve the resilience and economic viability of farming communities and protect workers' rights.

In response to this, in FY22, we launched our 2025 Supply Chain Pledges, 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 CDN\$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. Therefore, in FY22, we allocated resources to build our sustainable agriculture expertise and established our global sustainable agriculture standards, defining the farming practices we expect from our milk suppliers. These standards will be formally launched in FY23 and rolled out across all our operations with the view to have them fully implemented by 2025. 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 160 members working to advance sustainable agricultural practices through pre-competitive collaboration.

In FY22, we expanded the evaluation of our water risks to our supply chain by identifying the percentage of milk we source from regions with high or extremely high water stress¹ which is evaluated at 26%.

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.

In January 2021, we became 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. In line with our commitment, we sourced 24,113 MT of palm oil, all of which were RSPO certified during calendar year 2021. In FY22, we built our global management system to ensure our operations can also be certified through RSPO, which is expected to be completed later in FY23.

Our use of coconut oil increased with the expansion of our dairy alternative cheese offering. As a result, in FY22, our Dairy Division (UK) joined the Sustainable Coconut & Coconut Oil Roundtable, a collaborative group committed to developing a sustainable coconut supply chain.

METRIC	FY22	FY21	FY20	FY19	FY18
Percentage of RSPO-certified palm oil	100%				
Percentage of milk sourced from regions with High or Extremely High Baseline Water Stress	26%				

¹ A water-stressed region is defined as having a baseline water stress level that is considered “high” or above 40% in the WRI Aqueduct tool.

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 FY22, 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 are currently working to have pain management protocols for disbudding calves in place 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 FY22, we were involved in animal welfare advocacy, including the consultation on key animal care issues in the Canadian Dairy Cattle & Goat Codes of Practice as well as the development of an animal care assessment for goat milk supply in Canada. We continued to be engaged on the development of the Farm Assuring Responsible Management (FARM) animal care program v5.0 of the National Milk Producers Federation in the U.S.

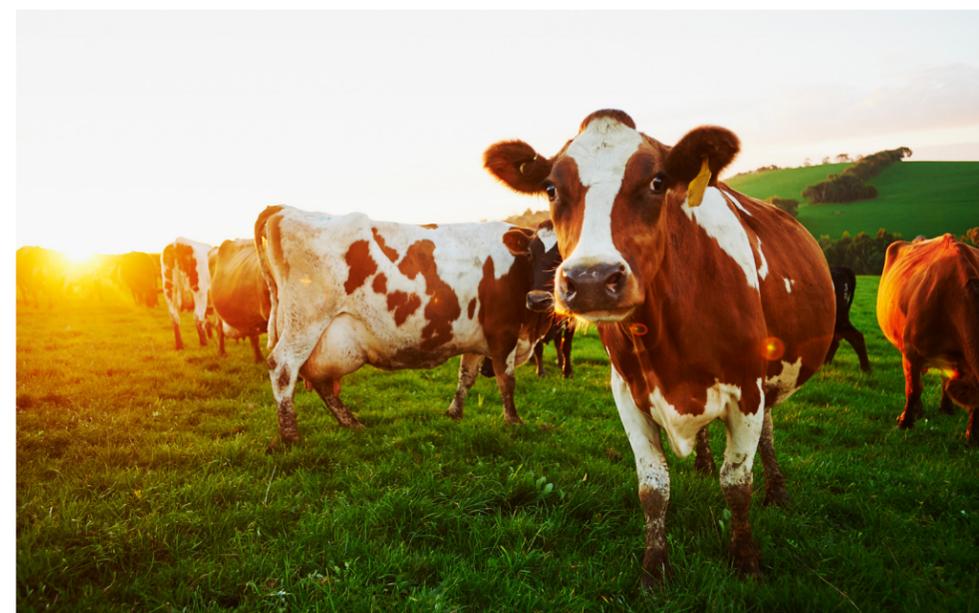
We were also included in the Business Benchmark on Farm Animal Welfare (BBFAW), where we maintained our fourth tier position from last year.

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 FY22, 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. We also 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.

As a result, we impacted more than 31,115 people through various initiatives in FY22, 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	FY22	FY21	FY20	FY19	FY18
Percentage of direct suppliers verified to meet animal welfare standards	100%				
Cases of animal cruelty reported resulting in suspension of supply	1	2	2	1	1
Number of people impacted by animal welfare training (through partnerships or internal training)	31,115	38,252	21,221	15,518	11,171



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 and announced clear targets (our Environmental Pledges) and a formal commitment to make significant and sustainable progress by 2025.

We have allocated additional resources to support the execution of this global action plan, including a three-year investment of CDN\$50 million. Additionally, we established a governance framework to foster Company-wide accountability and ownership, with our President and Chief Operating Officer, Dairy Division (UK), acting as the global champion. We made great strides towards our 2025 environmental targets in FY22—completing the allocation of our three-year investment, which will see the completion of more than 65 projects across our network and deliver notable climate, water, and waste savings.

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 adaptability is critical to the long-term future of our business, our patron farmers, and the communities where we operate.

As we progress on this journey, we continue to align our climate-related disclosure with the TCFD recommendations. In FY22, we were proud to maintain our B score, above our industry average, by CDP—an international non-profit organization that helps companies disclose their environmental impact—due to our enhanced climate-related disclosure.

Governance

The Board of Directors’ Audit Committee is responsible for reviewing and evaluating the risk factors inherent to Saputo and ensuring that appropriate measures are in place. Through the Audit Committee, the Board oversees our management of principal environmental 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 quarterly reports from the Environmental Committee, which oversees the application of the Environmental Policy and meets each quarter to discuss our environmental risks, the required action plans, and the status of ongoing projects.

Working in partnership with Internal Audit, Saputo’s Vice President of Corporate Responsibility is responsible for leading the assessment of climate-related risks and ensuring they are embedded within our enterprise-wide risk processes and that the appropriate mitigation measures and action plans are in place across our operations. 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.

We recently reinforced our climate governance with the introduction of ESG-related compensation as part of our long-term incentive plan. A portion of that share-based compensation granted in FY23 is linked to the achievement of our climate and water targets.

Strategy

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

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

RISK CATEGORY	RISK DESCRIPTION	MITIGATION STRATEGY
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	As part of our Global Strategic Plan, we are pursuing more dairy alternative opportunities to complement our current product portfolio, with an active focus on taking an early leadership position in the largely untapped dairy alternative cheese category.
TRANSITION Regulatory	Operating costs impacted by higher energy costs driven by an increase in carbon pricing	Our CO ₂ and energy reduction target as well as our three-year CDN\$50 million investment for carbon reduction projects will contribute to reducing the direct costs and exposure to carbon pricing mechanisms.
PHYSICAL Acute	Operational disruptions caused by extreme weather events	Our risk management teams ensure that investment programs and mitigation measures are in place to minimize the impacts of natural disasters on our business.
PHYSICAL Acute	Price volatility in raw materials driven by extreme weather events in our supply chain	We have dedicated teams responsible for sourcing raw ingredients and packaging and who works closely with our suppliers to minimize price volatility and the impact on our business.
PHYSICAL Chronic	Reduced milk production due to increased stress on livestock driven by drought or extreme heat	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 industry towards net zero by 2050.





Targets and Metrics

In FY20, we pledged to accelerate our global climate performance and announced clear targets with a formal commitment to make significant and sustainable progress by 2025.

We pledged to:

- Reduce the CO₂ intensity of our operations by 20% (against FY20 baseline); and
- Reduce the energy intensity of our operations by 10% (against FY20 baseline).

In FY22, we continued the implementation of renewable energy initiatives and capital projects to drive energy and carbon savings across our network.

Our key highlights include:

- Our Dairy Division (Australia) commenced a large-scale renewable power purchasing agreement which will enable 46% of our electricity consumption in Australia to be offset with renewable energy—saving 61,000 tons of CO₂ annually, which represents a 5% reduction in our global CO₂ footprint.
- We completed nine additional energy-saving projects such as heat recovery systems, steam accumulators, and updated boiler controls. On an annual basis, these projects will be saving over 94,500 GJ of energy and more than 9,000 tonnes of CO₂e.
- In our Dairy Division (UK), we completed the installation of 9,400 solar panels at our Davidstow plant, which is expected to save more than 1,000 tonnes of CO₂ annually.

An additional 19 energy and carbon saving projects will be funded in FY23, which are expected to create an additional estimated savings of 188,000 GJ and 10,000 tonnes of CO₂e.

In FY22, our carbon intensity decreased by 5% compared to FY21 and 8% compared to our FY20 baseline as our renewable electricity initiatives are starting to impact our global footprint. From an energy intensity perspective, our number is 6% better compared to last year and 2% below our FY20 baseline. We expect additional improvements as we continue to deliver energy saving capital projects across our operations.

Since 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, which are estimated using the FAO GLEAM emissions factors (fao.org/gleam). In FY22, our scope 3 emissions were estimated at 22,491,510 tonnes of CO₂e. Further information on how we plan to address environmental considerations in our supply chain can be found on [p. 20](#).

Climate-Related Risk Management

In FY22, we expanded our climate risk assessment, building on the work we had started in 2018. 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. The climate scenario analysis allows us to explore the resilience of our business strategy to different climate futures and the impacts associated with the transition to a lower-carbon economy. Leveraging the findings, we have developed a roadmap to embed climate-related risks in key business processes such as risk management, Mergers and Acquisitions evaluation, and future climate-related disclosure.

Additional risks are also described in our Management’s Discussion and Analysis, dated June 9, 2022, available at saputo.com/en/investors/shareholder-reports/2022.

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.

METRIC	FY22	FY21	FY20	FY19	FY18
Total energy consumed (GJ)	14,314,101	14,760,288	14,485,795	13,601,910	10,906,924
CO ₂ intensity (√) (Tonne CO ₂ e/tonne of product)	0.2048	0.2157	0.2221	0.2297	0.1927
Energy intensity (GJ/tonne of product)	2.95	3.15	3.00	3.13	2.85
Scope 1 emissions (√) (Tonne CO ₂ e)	526,479	528,089	546,195	500,133	407,267
Scope 2 emissions (√) (market-based) (Tonne CO ₂ e)	468,629	482,145	525,966		
Scope 3 emissions (Tonne CO ₂ e)	22,491,510	22,508,553	22,417,182	24,388,360	

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. These risks are 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 FY22, 29% of our water withdrawals were from water-stressed regions ¹	Our water reduction target and three-year CDN\$50 million projects investment, a portion of which allocated to water-related projects, will help reduce our exposure to operational water risks. Our investments prioritize water-reduction projects in water-stressed areas ¹ .
Availability and increased cost of 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 26% of our milk is sourced from water-stressed regions.	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.

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.

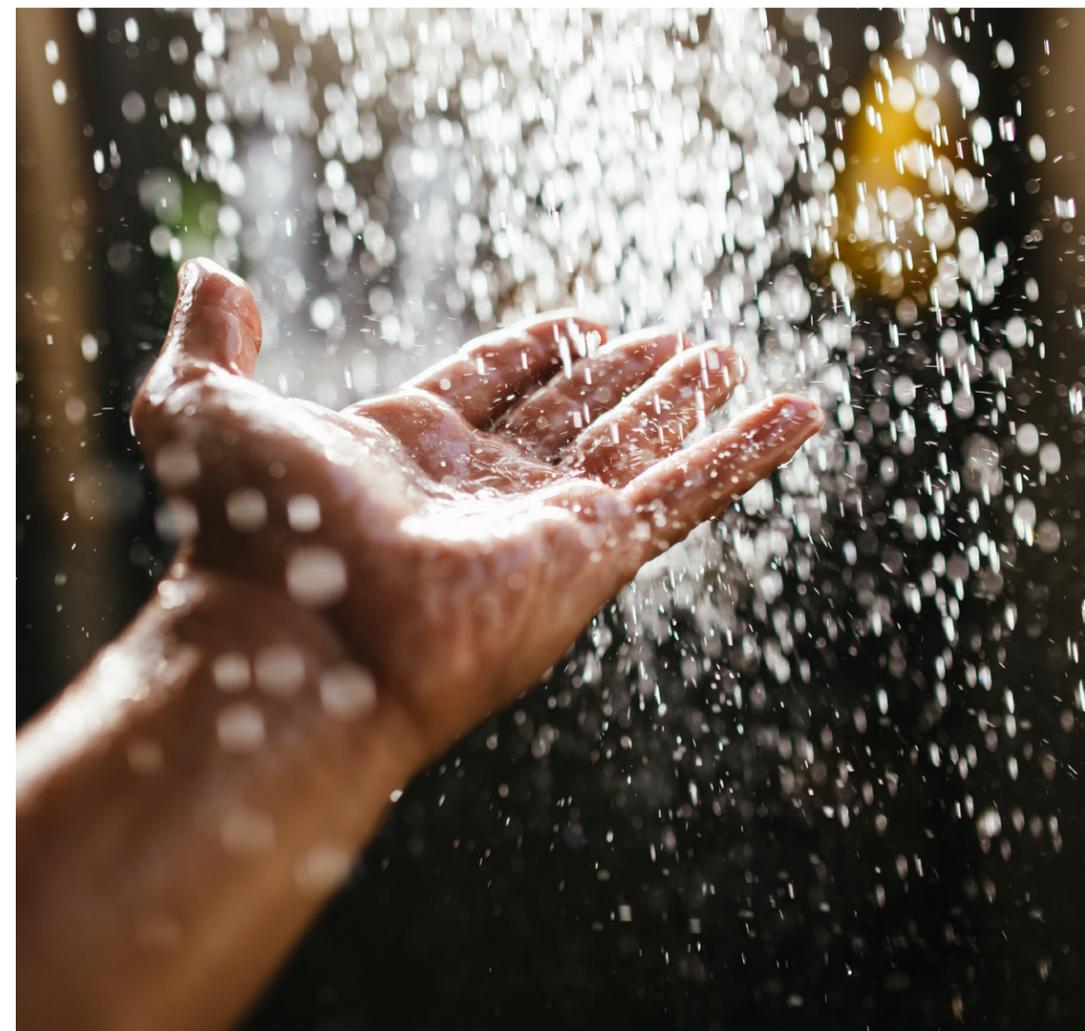
In FY20, we pledged to accelerate our global water performance by 2025 with a commitment to:

- Reduce the water intensity of our operations by 10% (against FY20 baseline); and
- Improve our wastewater quality year-over-year.

In FY22, we completed the installation of four water projects across our network with the potential to save more than 290,000 m³ of water annually.

An additional 10 water projects will be funded in FY22 for an added 250,000 m³ of potential water savings annually.

As with our energy intensity, our water intensity number is 3% better compared to last year, and slightly below our FY20 baseline. Some of our improvements have been delayed due to challenges around supply chain impacting the execution of some of our capital projects. We expect additional improvements as additional water saving capital projects come online in FY23.



From a water quality perspective, we kept a strong focus on proactively managing our wastewater streams, where we maintained a water quality compliance rate of 94% in FY22.

As we expect our investments and actions to drive progress against our water targets from FY22 onwards, we remain confident in our ability to meet our 2025 Environmental Pledges.

METRIC	FY22	FY21	FY20	FY19	FY18
Water withdrawal (m ³) (√)	24,480,594	24,296,649	24,427,531	22,663,000	19,930,000
Water withdrawal % in regions with High or Extremely High Baseline Water Stress	29%	30%	29%	45%	
Water intensity (√) (m ³ /Tonnes of product)	5.04	5.19	5.06	5.32	5.35
Water quality compliance rate	94%	97%	98%		

CASE STUDY

We are proud of the strides we are making in reducing our water consumption. One of the initiatives that moves us one step closer to fulfilling our water goals by 2025 is the installation of a water polisher system to capture, clean-up, and reuse the water in one of our California plants. As a result, we'll be able to reduce our water use by more than 565,000 m³ per year—the equivalent of almost 230 Olympic swimming pools—and 2% of our global footprint. Read more about this case study on saputo.com/our-promise/case-studies.

¹ A water-stressed region is defined as having a baseline water stress level that is considered "high" or above 40% in the WRI Aqueduct tool.

Waste and Packaging

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

Operational waste

Reduce our total waste by 25% (against FY20 baseline) and increase our diversion rate to 75%.

Food waste

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

Sustainable packaging

Reduce our material use by 15% (against FY20 baseline);

Ensure 100% of our packaging is reusable, recyclable, or compostable; and

Ensure our packaging includes at least 15% of recycled or renewable content.

Operational and Food Waste

Our focus on operational efficiency and continuous improvement means we are constantly looking for ways to reduce, repurpose, or divert waste.

In FY22, we continued to advance the mapping of our different waste streams and identified opportunities to reduce and divert waste. We implemented a series of initiatives, including redirecting organics to animal feeds, funding a project to produce calcium phosphate ‘cake’ from our demineralized whey process for feedstock, and diverting our waste from landfills to energy suppliers.

Despite these efforts, in FY22, our total waste, which includes both organic and inorganic waste, was 92,769 tonnes, 17% more than last year. Our food waste increased by 14%. Our diversion rate reached 62% for our inorganic waste, an improvement of 15% from our FY20 baseline bringing us closer to our 75% target by 2025. When including organics, our diversion rate reaches 82% as we continuously look for ways to maximize the value of our organic material by diverting it to biodigestion for the production of biogas, composting, or land application.

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. Since the acquisition of the Reedsburg facility of Wisconsin Specialty Protein, LLC, we have begun materializing our ingredients strategy to enhance our portfolio, leveraging the facility's manufacturing capabilities for value-added ingredients such as goat whey, organic lactose, and other dairy powders.

In response to an increased demand on food banks during the pandemic, we accelerated the roll-out of global processes to redistribute food surplus in communities where we operate. We continued these efforts in FY22, donating more than 1.7 million kilos of products, which resulted in an estimated reduction of 8,000 tonnes of CO₂e¹.

¹ Calculated using the FReSH - FLW value calculator from the World Resource Institute.



CASE STUDY

As part of our efforts to improve our waste diversion rate, one of our Canadian plants piloted a project to convert non-recyclable waste into usable forms of energy via combustion. The heat from the combustion of waste generated superheated steam in boilers, allowing the steam to drive turbogenerators to produce electricity. The generated electricity is sold to the city and distributed to surrounding communities. This initiative diverted an estimated 420 metric tonnes from landfill while generating revenue for the plant. Read more about this case study on saputo.com/our-promise/case-studies.



Packaging

While packaging is vital to ensuring the integrity and safety of our products, we recognize that it can also pose significant environmental impacts. This is why sustainable packaging is a key part of our 2025 Environmental Pledges, which draw on the circular economy and New Plastics Economy principles.

In FY22, our divisions progressed on their roadmaps to achieve our 2025 targets. Our Dairy Division (UK) partnered with a flexible packaging supplier, Wipak UK, on a project that resulted in 33% of virgin plastic being replaced with post-consumer recycled (PCR) material for some of our block cheese packaging. The PCR packs are being gradually introduced in Marks and Spencer stores, and we intend to roll out PCR packaging for a wider range of products as technology progresses and the quantity of available materials increases.

We are also running trials to include additional PCR material in our milk bottles as well as some of our cheese trays.

We continue to leverage our internal Sustainable Packaging Group to accelerate our progress and ensure we leverage our global capabilities. This group—composed of packaging engineers, packaging procurement specialists, and sustainability experts from all our divisions—works together to share best practices, learn from one another, and identify synergies wherever possible. We are also a member of the Sustainable Packaging Coalition[®], which brings together businesses, educational institutions, and government agencies to collectively advance the business case for more sustainable packaging.

In FY21, the shift in demand from foodservice to the retail market segment, which tends to use more packaging, resulted in an increase of our total material use and product to packaging ratio. In FY22, we made up for some of the lost ground as our product to packaging ratio improved by 9% compared to FY21 but remained slightly above our baseline. Our percentage of plastic made of recycled material increased to 0.7% compared to 0.3% in our FY20 baseline. Finally, 80% of our packaging was recyclable globally in FY22, significantly better than our FY20 baseline of 68%. This is mainly a result of our packaging initiatives in the UK as well as the switch to using the How2Recycle[®] system to classify recyclable packaging in Canada.

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 in the current climate. Despite these challenges, we are staying the course, maintaining our efforts to progress against our targets and deliver sustainable packaging initiatives across our operations.

METRIC	FY22	FY21	FY20	FY19	FY18
% waste diverted from landfills	62%	60%	47%	52%	42%
Total waste (tonnes) ¹	92,769	79,314	73,714	46,982	32,842
Total food waste (tonnes) ¹	64,000	56,015	58,324		
Total weight of packaging (tonnes)	216,748	227,002	213,019		
Product to packaging ratio	0.049	0.054	0.048		
Percentage of plastic packaging made from recycled and/or renewable materials	0.7 %	0.3%	0.3%		
Percentage that is recyclable, reusable and/or compostable	80%	69%	68%		

¹ Total waste and food waste data for FY21 and FY20 have been restated to align with our FY22 methodology.



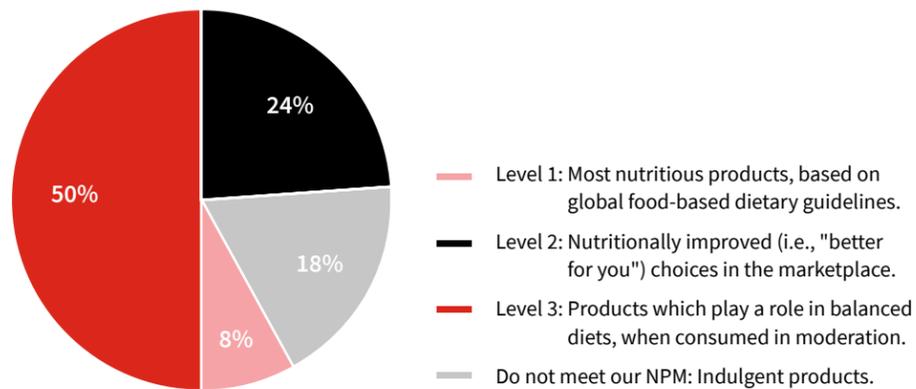
Nutrition and Healthy Living



As a leading global dairy company, we recognize that we have a responsibility to demonstrate good corporate citizenship in everything we do. 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 and Healthy Living Pillar – and reflective of today’s environment where addressing obesity and unbalanced diets are top concerns – we developed our Nutrition and Healthy Living plan in FY19, outlining our core guiding principles for nutrition, which are:

- We advocate for dairy as an integral part of a balanced diet;
- We provide clear and transparent product information and make science-based health claims;
- We invest in research and development (R&D) to optimize the nutritional value of our products, without compromising safety and taste;
- We use authoritative, evidence-based criteria to guide product development, innovation and reformulation, and portion sizes;
- We promote and advertise products responsibly, particularly to children and youth;
- We play an active role in creating healthier communities through partnerships and donations;
- We provide a workplace that fosters and promotes an active and healthy lifestyle.

In FY22, we developed the first-ever Saputo Nutrient Profiling Model (NPM) and mapped our full global portfolio 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. Currently, 82% of our products meet our NPM, with 8% meeting our Level 1 criteria, which indicate dairy foods and beverages recommended by nutrition experts to support a healthy diet. Additional information about the Model can be found on saputo.com/our-promise/reference-documents.



We aim to continue to improve the nutritional quality and performance of our global portfolio through innovation, reformulation, and market penetration activities as part of our renewed Saputo Promise three-year plan (FY23-FY25). This includes initiatives such as reducing sodium in our cheeses and sugar in some of our flavoured milks, as well as enhancing the nutritional value of our dairy alternative offerings. Overall, our goal is for 84% of our products to meet our NPM by 2025. We will also work on improving the market penetration of our more nutritious branded products, which means making products that meet our NPM more available and accessible to consumers.

We also undertook a global review and consultation around our marketing activities, including the types of products that can be marketed to specific consumers. This is particularly important for our youngest consumers, as lifelong healthy eating habits are established during childhood. This review aims to inform our minimum standards, aligning with global evidence-based marketing to children standards, to ensure we only market products meeting the most nutritious products (NPM Level 1) to children under the age of 15, to help families set healthy eating habits early.

METRIC	FY22	FY21	FY20	FY19	FY18
% of products which meet our NPM	82%				

Community



Giving back has always been an intrinsic part of our culture and we care deeply about the communities we serve and operate in. We believe in leaving a lasting and meaningful legacy where our employees live, work, and play. As such, we are committed to investing 1% of our annual pre-tax profits in communities where we operate, through financial contributions, product donations, and encouraging volunteerism.

In FY22, our financial and product donations reached \$16 million (calculated using the London Benchmarking Group Model), which is well above our target of 1% of our annual pre-tax profits.

Building healthier communities through nutritious food and the promotion of healthy lifestyles is at the core of our community engagement. We aim to support organizations, projects, and programs that feed communities and promote physical activity—ultimately encouraging healthy living.

Still faced with government restrictions relating to the pandemic, FY22 remained a challenging year for many of our partners who had to adjust their activities and demonstrate incredible resilience. It was more important than ever to show solidarity and take a compassionate and flexible approach to continue to have a positive impact on our communities and the lives of people in need. As such, we are proud to report that we reached 3.6 million people through our partnerships, which resulted in a 26% increase from last year.

Our Saputo Legacy Program aims to support the improvement of local sport and health amenities, helping entire families lead a more active and healthy lifestyle. The permanent facilities targeted by the program's investments include soccer and baseball fields, multi-sport facilities, hiking trails, among others. In FY22, this program contributed to 10 new projects, benefiting communities in Canada, the U.S., Australia, Argentina, and the UK. Collectively, these efforts brought our total contribution to CDN\$3.2 million since the program's inception.

METRIC	FY22	FY21	FY20	FY19	FY18
Total community investment against our target of 1% (in millions CDN)	16.07	17.26	11.21	11.10	11.25
% of community investments against our annual pre-tax profit (based on the profit of the previous fiscal year)	1.9%	2.2%	1.1%	1.2%	1.1%
Total number of people reached through our healthy living partnerships and programs (in millions)	3.6	2.85	2.58	2.25	2.1
Cumulative number of Legacy projects funded (as of the end of the fiscal year)	62	52	50	46	38

CASE STUDY

The Saputo vaccination clinic

When the Québec government called on businesses to join the mass COVID-19 vaccination initiative, we did not hesitate to raise our hand and join the effort. We set up a mobile clinic that offered vaccinations to employees close to our local facilities as well as to various locations in and around Montréal-Nord, facilitating the access to vaccinations for one of our city's most vulnerable communities.

Thanks to the passion and dedication of the clinic's team, a total of 11,330 COVID-19 vaccine doses were administered in 15 weeks of operation.

Read more about this case study at saputo.com/our-promise/case-studies.



PERFORMANCE DATA SUMMARY AND SASB INDEX

PERFORMANCE DATA SUMMARY

PILLAR	METRIC	FY22	FY21	FY20	FY19	FY18
Food Quality and Safety	% of facilities certified to GFSI standards	100%	98%	98%	98%	94%
	% 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 standards	96%	96%			
	Total number of notices for food safety violations received	4	0			
	% of food violations corrected	100%				
	Number of recalls issued	2	2			
Our People	Diversity, Equity, and Inclusion					
	% women in total workforce	28%	28%	28%	28%	30%
	% women in senior management	25%	21%	16%	16%	15%
	% women in senior management - C-suite	27%				
	% women in senior management - VP and SVP	25%				
	% women in managers roles (Director, Manager, Supervisor)	28%				
	% women in ind. Cont/prof roles	29%				
	% women on Board of Directors	55%	50%	50%	50%	50%
	% internal promotions awarded to women	33%	36%	34%	37%	29%
	Health and Safety					
	Total injury frequency	3.62	3.76	3.59	4.82	4.95
	Lost time injury frequency	1.37	1.61	1.36	1.77	1.96
	Fatality	0	0	1	0	0
	Working Conditions					
	Total internal promotions	1,476	943	1,080	1,066	1,058
	Total investments in training and development (in millions of CDN dollars)	9.0	8.1	8.2	5.8	4.5
	Total hours spent on training and development	509,550	334,855	402,435	194,406	73,137
	Average tenure	9.2	10	10	10	10
	% of unionized employees	35%	35%	36%	36%	36%
Global turnover	24%	17%				
Business Ethics	Number of significant fines for non-compliance	0	0	1	1	0
	Monetary value of significant fines for non-compliance (in millions of CDN dollars)	0	0	0.16	0.19	0
Responsible Sourcing	Sustainable Ingredients					
	% of RSPO-certified palm oil	100%				
	% of food ingredients sourced from regions with High or Extremely High Baseline Water Stress	26%				

PILLAR	METRIC	FY22	FY21	FY20	FY19	FY18
Responsible Sourcing	Animal Welfare					
	% of direct supplier verified to meet animal welfare standards	100%				
	Cases of animal cruelty reported resulting in suspension of supply	1	2	2	1	1
	Number of people impacted by animal welfare training (through partnerships or internal training)	31,115	38,252	21,221	15,518	11,171
Environment	Energy and GHG Emissions					
	Total energy consumed (GJ)	14,314,101	14,760,288	14,485,795	13,601,910	10,906,924
	CO ₂ intensity (Tonne CO ₂ e/tonne of product) (√)	0.2048	0.2157	0.2221	0.2297	0.1927
	Energy intensity (GJ/tonne of product)	2.95	3.15	3.00	3.13	2.85
	Scope 1 emissions (Tonne CO ₂ e) (√)	526,479	528,089	546,195	500,133	407,267
	Scope 2 emissions (market-based) (Tonne CO ₂ e) (√)	468,629	482,145	525,966		
	Scope 3 emissions (Tonne CO ₂ e)	22,491,510	22,508,553	22,417,182	24,388,360	
	Waste					
	% waste diverted from landfills	62%	60%	47%	52%	42%
	Total waste (tonnes) ¹	92,769	79,314	73,714	46,982	32,842
	Total food waste (tonnes) ¹	64,000	56,015	58,324		
	Total weight of packaging (tonnes)	216,748	227,002	213,019		
	Product to packaging ratio	0.049	0.054	0.048		
	% of plastic packaging made from recycled and/or renewable materials	0.7%	0.3%	0.3%		
	% of packaging which is recyclable, reusable and/or compostable	80%	69%	68%		
	Water					
	Water withdrawal (m ³) (√)	24,480,594	24,296,649	24,427,531	22,663,000	19,930,000
	% of water withdrawal in regions with High or Extremely High Baseline Water Stress	29%	30%	29%	45%	
	Water intensity (m ³ /Tonnes of product) (√)	5.04	5.19	5.06	5.32	5.35
Water quality compliance rate	94%	97%	98%			
Nutrition and Healthy Living	% of products which meet our NPM	82%				
Community	Total community investment against our target of 1% (in millions CDN)	16.07	17.26	11.21	11.10	11.25
	% of community investments against our annual pre-tax profit (based on the profit of the previous fiscal year)	1.9%	2.2%	1.1%	1.2%	1.1%
	Total number of people reached through our healthy living partnerships and programs (in millions)	3.6	2.85	2.58	2.25	2.1
	Cumulative number of Legacy projects funded (as of the end of the fiscal year)	62	52	50	46	38

¹ Total waste and food waste data for FY21 and FY20 have been restated to align with our FY22 methodology.

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				
1. Total energy consumed 2. Percentage grid electricity 3. Percentage renewable	Quantitative	Gigajoules (GJ), Percentage (%)	FB-PF-130a.1	(1) 14,314,101 GJ. 27% of energy consumed represents grid electricity. 1% Percentage of renewable Read more about this on p.27 of this Report.
Water Management				
1. Total water withdrawn 2. 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. 24,480,594 m ³ (√) (29% withdrawn in regions with Extremely High Baseline Water or with High Baseline Water Stress). 2. 318,302 m ³ (√) (none from regions with Extremely High Baseline Water Stress or High Baseline Water Stress). Based on the WRI Aqueduct tool Read more about this on p.28 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	During the reporting period, we did not identify any non-compliance with environmental laws and/or regulations, including water quantity/quality permits, standards, and regulations that would give rise to significant fines or sanctions. 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 CDN\$100,000 or more; or (b) has a monetary value of less than CDN\$100,000 in relation to a material regulatory breach (e.g. fatality, serious injury, significant environmental damages, etc.). Read more about this on p.18 of this Report.
Description of water management risks and discussion of strategies and practices to mitigate those risks	Discussion and Analysis		FB-PF-140a.3	Read more about this on p.28 of this Report.

ACCOUNTING METRIC	CATEGORY	UNIT OF MEASURE	CODE	RESPONSE
Food Safety				
Global Food Safety Initiative (GFSI) audit 1. Non-conformance rate 2. 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 11%. Corrective actions were implemented for 100% of the major non-conformances identified and for 99% of the minor non-conformances identified. Read more about this on p.12 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, 96% of our ingredient suppliers (by spend) were GFSI certified. Read more about this on p.12 of this Report.
1. Total number of notices of food safety violations received 2. Percentage corrected	Quantitative	Number, Percentage (%)	FB-PF-250a.3	On a global basis, Saputo received 4 notices of food safety violations in FY22 and 100% were corrected. Read more about this on p.12 of this Report.
1. Number of recalls issued 2. Total amount of food product recalled	Quantitative	Number, Metric tons (t)	FB-PF-250a.4	On a global basis, Saputo conducted 2 recalls of our products during FY22. These 2 recalls accounted for 723,964 kgs of products. Read more about this on p.12 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 p.32 of this Report. Specific metric is not available for FY22.
Discussion of the process to manage products and ingredients related to nutritional and health concerns among consumers	Discussion and Analysis		FB-PF-260a.2	Read more about this on p.32 of this Report.

ACCOUNTING METRIC	CATEGORY	UNIT OF MEASURE	CODE	RESPONSE
Product Labelling and Marketing				
Percentage of advertising impressions: 1. Made on children 2. Made on children promoting products that meet dietary guidelines	Quantitative	Percentage (%)	FB-PF-270a.1	Read more about this on p.32 of this Report. Specific metric is not available for FY22.
Revenue from products labelled as: 1. Containing genetically modified organisms (GMOs) 2. Non-GMO	Quantitative	Reporting currency	FB-PF-270a.2	Specific metric is not available for FY22. 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 supports 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, analyses 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 was zero significant incidents of non-compliance in FY22. 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 CDN\$100,000 or more; or (b) has a monetary value of less than CDN\$100,000 in relation to a material regulatory breach (e.g., fatality, serious injury, significant environmental damages, etc.). Read more about this on p.18 of this Report.
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 was zero significant incidents of non-compliance in FY22. Read more about this on p.18 of this Report.

ACCOUNTING METRIC	CATEGORY	UNIT OF MEASURE	CODE	RESPONSE
Packaging Lifecycle Management				
1. Total weight of packaging 2. Percentage made from recycled and/or renewable materials 3. Percentage that is recyclable, reusable and/or compostable	Quantitative	Metric tons (t), Percentage (%)	FB-PF-410a.1	1. 216,748 total weight of packaging. 2. 0.7% 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 p.30 of this Report.
Discussion of strategies to reduce the environmental impact of packaging throughout its lifecycle	Discussion and Analysis		FB-PF-410a.2	Read more about this on p.30 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 p.22 of this Report. Last year, we sourced close to 24,113 MT of palm oil, all of which were RSPO certified.
Suppliers' social and environmental responsibility audit 1. Non-conformance rate 2. Associated corrective action rate for (a) major and (b) minor non-conformances	Quantitative	Rate	FB-PF-430a.2	Read more about this on p.20 of this Report. Specific metric is not available for FY22.

ACCOUNTING METRIC	CATEGORY	UNIT OF MEASURE	CODE	RESPONSE
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 or extremely high water stress is evaluated at 26%. Read more about this on p.22 of this Report.
List of priority food ingredients and discussion of sourcing risks due to environmental and social considerations	Discussion and Analysis		FB-PF-440a.2	Read more about this on p.22 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 FY22, our sales generated CDN\$15,035 million in revenues.
Number of Production Facilities	Quantitative	Number	FB-PF-000.b	67

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 a number of 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 9, 2022, available on SEDAR under Saputo's profile at [sedar.com](https://www.sedar.com).

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; the availability and cost of milk and other raw materials and energy supplies; 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; 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 contribution of recent acquisitions; the anticipated market supply and demand levels for our products; the anticipated 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. 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, as well as the development and performance of technology, innovation and the future use and deployment of technology and associated expected future results, 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.

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.

All forward-looking statements included herein speak only as of the date hereof or as of the specific date of such.



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