

*Saputo*

## Bringing Our Best to the Table

June 3, 2021



# Caution Regarding Forward-Looking Information

This presentation and accompanying oral presentation 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” or “target”, 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 presentation and accompanying oral presentation 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 3, 2021, available on SEDAR under Saputo’s profile at [www.sedar.com](http://www.sedar.com).

Such risks and uncertainties include the following: product liability; the COVID-19 pandemic; the availability of raw materials (including as a result of climate change or extreme weather) and related price variations, along with our ability to transfer those increases, if any, to our customers in competitive market conditions; the price fluctuation of our products in the countries in which we operate, as well as in international markets, which are based on supply and demand levels for dairy products; cyber threats and other information technology-related risks relating to business disruptions, confidentiality, data integrity business and email compromise-related fraud; the increased competitive environment in the dairy industry; consolidation of clientele; supplier concentration; unanticipated business disruption; the economic environment; changes in environmental laws and regulations; the potential effects of climate change; increased focus on environmental sustainability matters; our ability to identify, attract and retain qualified individuals; the failure to adequately integrate acquired businesses in a timely and efficient manner; the failure to execute our global strategic plan as expected; the failure to complete capital expenditures as planned; changes in consumer trends. 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.

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 attract and retain customers and consumers; our environmental performance; 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 effects of the COVID-19 pandemic; 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 dairy products; the anticipated warehousing, logistical and transportation costs; our effective income tax rate; the exchange rate of the Canadian dollar to the currencies of cheese and dairy ingredients.

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, including the duration and severity of the COVID-19 pandemic, 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.

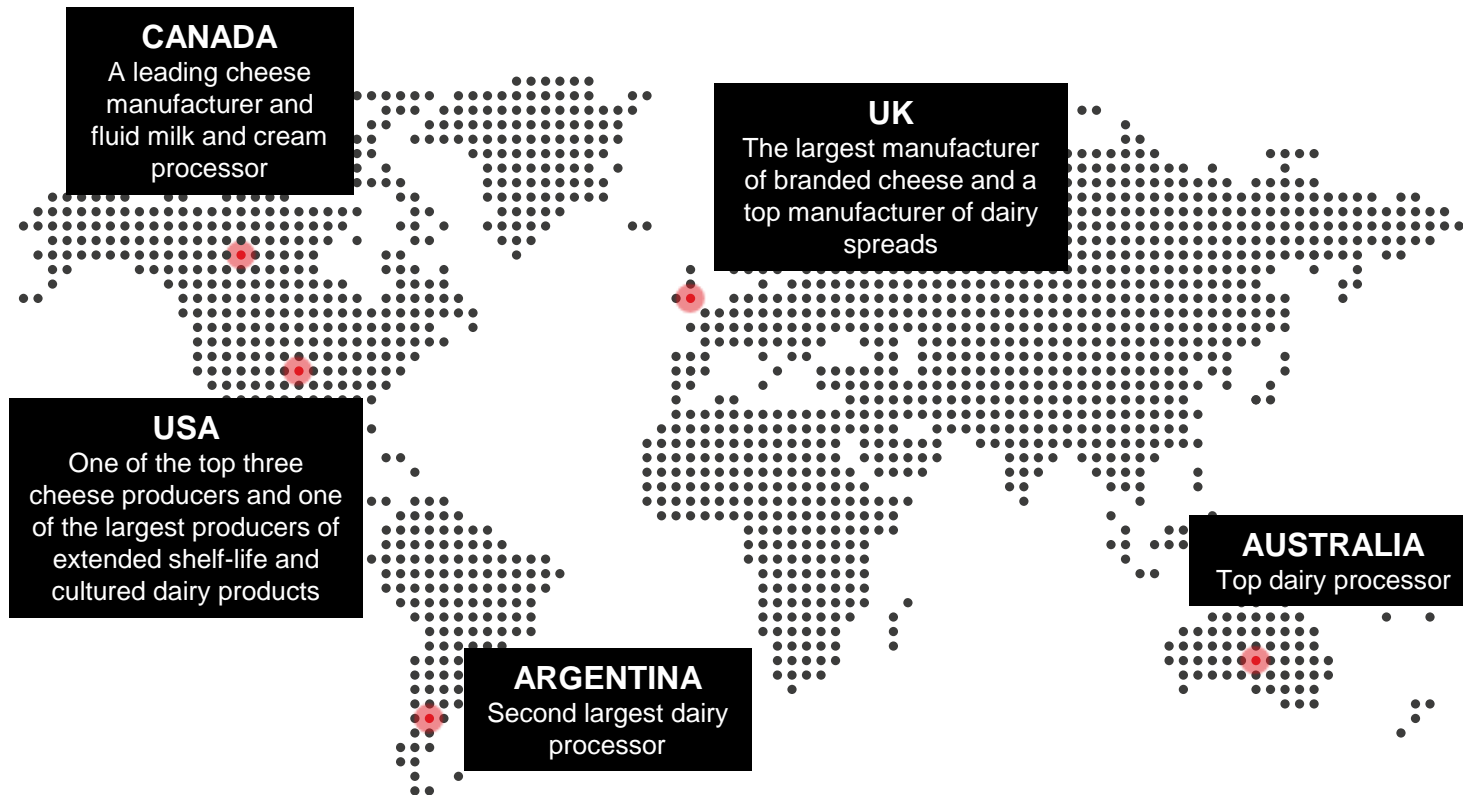
All forward-looking statements included herein speak only as of the date hereof or as of the specific date of such forward-looking statements. Except as required under applicable securities legislation, Saputo does not undertake to update or revise forward-looking statements, whether written or verbal, that may be made from time to time by itself or on our behalf, whether as a result of new information, future events or otherwise. All forward-looking statements contained herein are expressly qualified by this cautionary statement.

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# One of the Top 10 Dairy Processors in the World

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



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



**61 plants**  
67 distribution centres  
2 innovation centres



Approx.  
**17,300**  
employees



Products sold in over  
**60 countries**

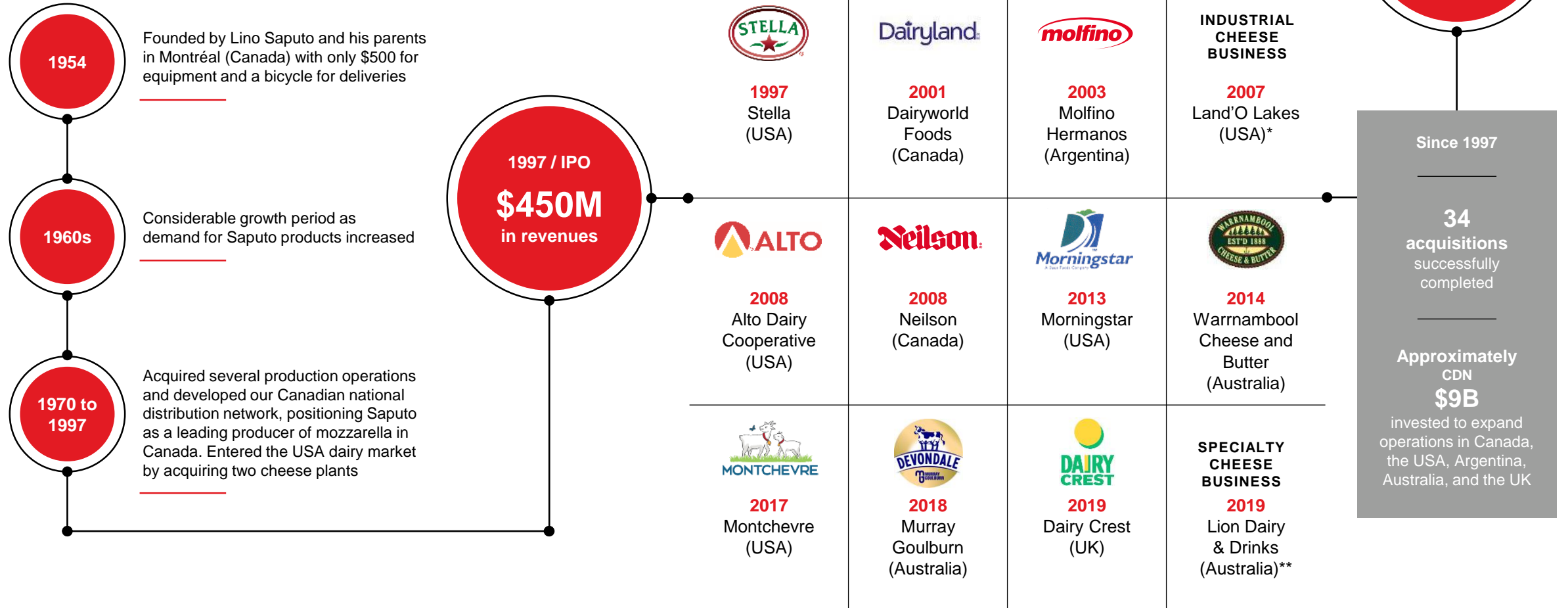


**34**  
acquisitions successfully  
completed since 1997

Approx.  
**\$9 billion**  
invested to expand operations  
in Canada, the USA, Argentina,  
Australia, and the UK

# A History of Growth

## An iconic family-owned Canadian success story

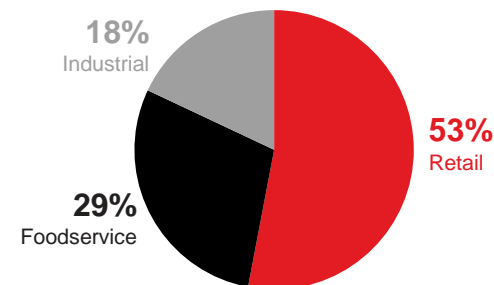


# FY21 Consolidated Performance

	Revenues		Adjusted EBITDA*	
Canada	\$4,134.9	29%	\$446.9	30%
USA	\$6,121.8	43%	\$567.3	39%
International	\$3,221.4	22%	\$305.0	21%
Europe	\$815.8	6%	\$151.7	10%
<b>TOTAL</b>	<b>\$14,293.9</b>		<b>\$1,470.9</b>	

Net cash generated from operations  
**Over \$1 billion**

## Revenues by market segment

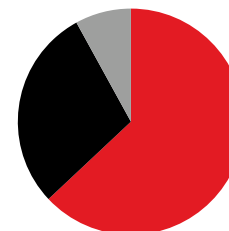


## Canada Sector

**63%**  
Retail

**29%**  
Foodservice

**8%**  
Industrial

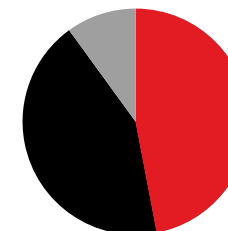


## USA Sector

**47%**  
Retail

**43%**  
Foodservice

**10%**  
Industrial



## International Sector

**43%**  
Retail

**7%**  
Foodservice

**50%**  
Industrial

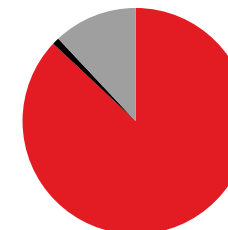


## Europe Sector

**87%**  
Retail

**1%**  
Foodservice

**12%**  
Industrial





# Our Strengths... to Deliver a Competitive Advantage

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## Attractive market opportunity

The global dairy industry continues to grow at low to mid single digit rates on an annual basis<sup>1</sup>



## Operational excellence and manufacturing expertise

Best practices to maximize capacity utilization, operating metrics and profitability

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Flexible and agile

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Continuous improvement mindset



## Our people

All dairy processors have access to the same raw material and equipment; what distinguishes us is our dedicated employees and our strong, seasoned leadership team



## High-quality product portfolio in growing categories

Comprehensive product offering across different markets and channels

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Products made with high industry standards for safety, nutritional value, and quality

# Our Strengths... to Deliver a Competitive Advantage



## Brand power and value-added customer partnerships

Brands that resonate with consumers: many market-leading brands

Total solution for our customers' dairy needs

Two innovation centres (USA, UK)



## Highly resilient and synergistic global platform

Size and scale

Diversified business: geographical presence, product portfolio, market segmentation

Cross-divisional best practices

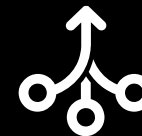


## Cash generation

Disciplined financial and cash management: clean balance sheet to fuel growth

Steady operational cash flow generation

Responsible approach for long-term sustainability



## Market consolidator

Well positioned to seize opportunities in a highly fragmented dairy market

Proven track record in acquiring and integrating new businesses

# Building on Our Strong Foundations

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Increase efficiency + productivity

—  
Leverage best practices  
across business

—  
Integration and synergies



Continuous investments  
optimize operations

—  
Innovation and expansion in  
growing and profitable market  
segments / product categories



Bolt-on in existing divisions

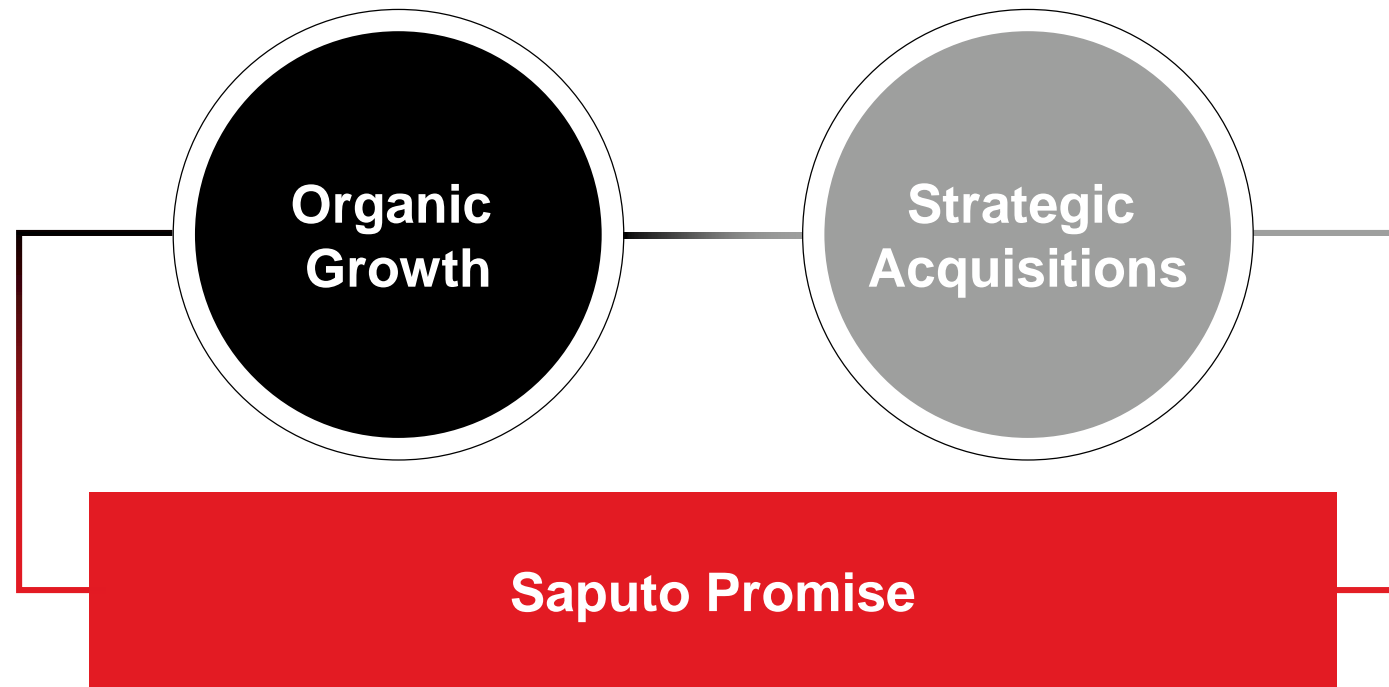
—  
New platforms  
and/or product segments



# A Well-Defined Growth Strategy

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## OUR THREE-PRONGED APPROACH



# Our Journey to Defining Our New Global Strategic Plan

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Developed to boost organic growth

Bottom-up process starting at the divisional level

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Each division identified key initiatives to build on its strengths and capture opportunities

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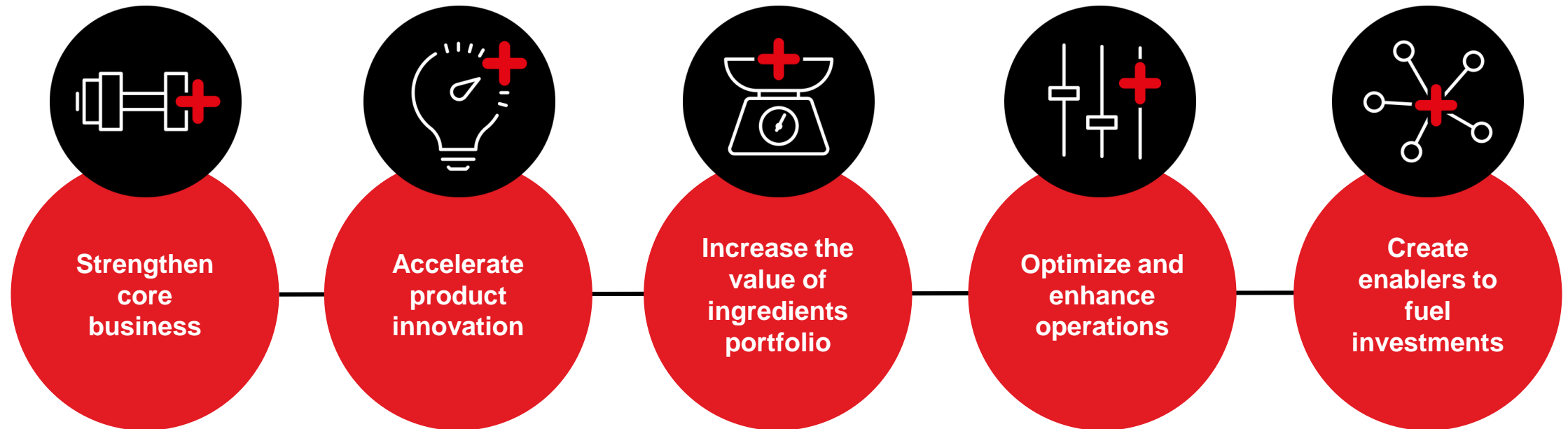
Combination of all these initiatives led us to create **five pillars of growth to focus our efforts**



**We have a global roadmap to accelerate organic growth over the next four years (FY22-FY25)**

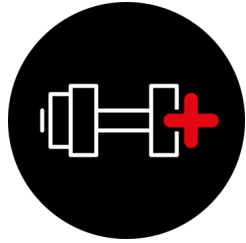
# Introducing Our Key Pillars to Boost Organic Growth

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# Strengthen Core Business

## Existing portfolio of products and brands



Leverage the power of our brands

International expansion

- Maximize brand penetration
- Retail growth in key export markets

Optimize our product portfolio with a focus on core categories, including:

- Snacking, Italian-style, and specialty cheeses
- Value-added products, beverages, and ingredients

E-commerce strategy



# Accelerate Product Innovation

New additions to our portfolio of products and brands



## Dairy alternatives

- Become a leader in dairy alternative cheese
- Leverage our infrastructure to seize dairy alternative beverage opportunities

Introduce new products, flavours and formats in value-added categories

## Packaging innovation

- Recyclable packaging
- Consumer-friendly



# Increase the Value of Our Ingredients Portfolio

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## Ingredient-focused initiatives



### Maximize the value of our whey

- Bovine
- Goat
- Recipe optimization

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Focus on nutritionals and explore alternative protein offerings

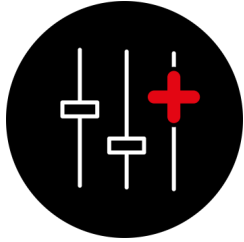
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Commercial partnerships



# Optimize and Enhance Operations

Operations-focused initiatives: manufacturing, supply chain, and logistics



High-quality, low-cost processor

Network and supply chain optimization

Leverage automation

Integrated business planning

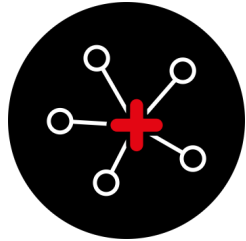
Toll manufacturing opportunities

**USA Sector as a key driver**



# Create Enablers to Fuel Investments

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## **One USA –** *Merger of our two former USA divisions*

- Complete merger and materialize synergies

## **Harmoni Implementation –** *Enterprise Resource Planning (ERP)*

- Complete deployment and realize the value of our global ERP system

Overhead cost reduction



# Our Growth Ambitions (FY22-FY25)

Accelerating our organic growth over a four-year period

## TARGET

for the four-year period ending March 31, 2025

**High single-digit Adjusted EBITDA\* CAGR<sup>1</sup>  
to reach \$2.125 billion by the end of FY25**

*“Through our new Global Strategic Plan, we’re laying the foundation for accelerated organic growth to complement our M&A and Saputo Promise activities. With our recent leadership enhancements, a united USA platform, and key COVID learnings in tow, I strongly believe we’re embarking on this exciting path with the right talent, structure, and strategic roadmap guiding our way. As our collective passion ignites our efforts, I’m confident that together we’ll emerge a bigger, better, and stronger Saputo.”*

**-Lino A. Saputo, Chair & CEO**

# FY22-FY25 Capital Allocation Priorities

Capital expenditures to support our growth



**CAPEX  
Highlights**

**+ ~\$550 million**  
in incremental **total** of capex spend over  
historical four-year capex spend

# Strategic Acquisitions to Complement Our Accelerated Organic Growth Plan

**Pipeline of M&A opportunities in every geography**

## Key regions of interest

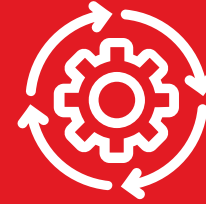


Current markets



New markets:  
Northern/Western  
Europe

**Accretive targets + disciplined approach**



Right strategic fit to  
broaden or complement  
our existing activities



Right conditions  
(fair value and terms)

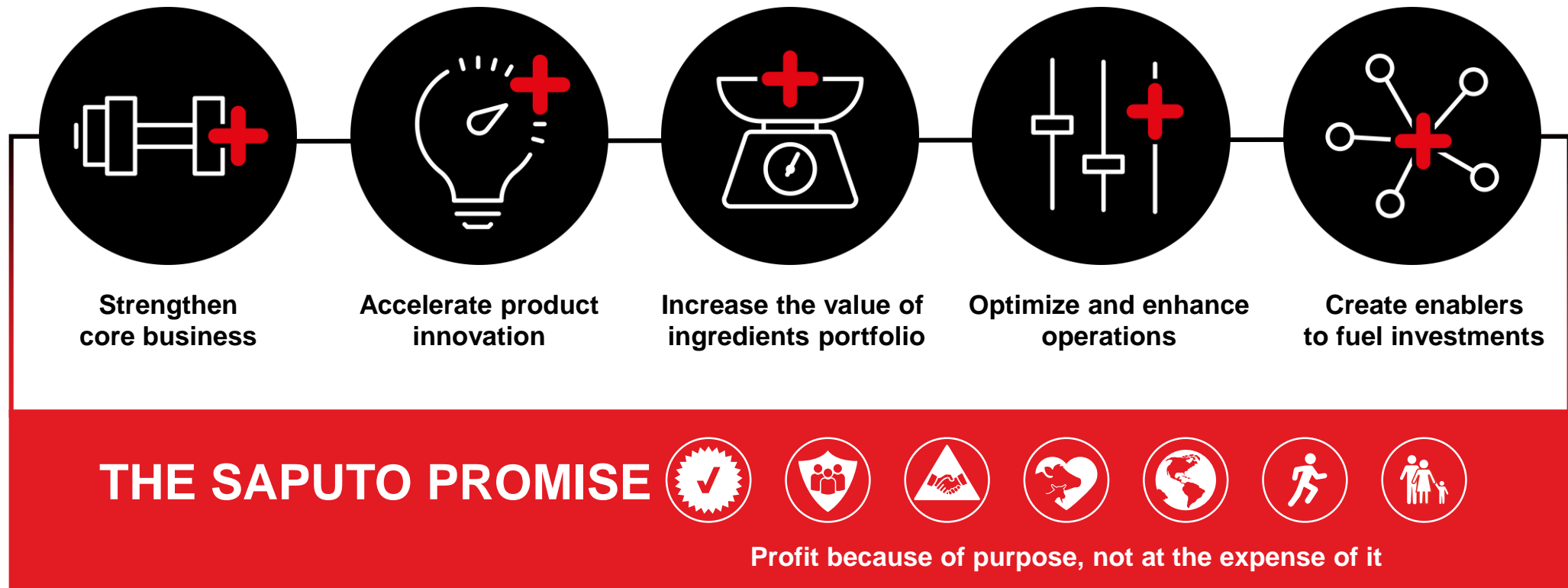
## Our priorities

Cheese	Dairy alternatives
Value-added ingredients	USA retail

**Building on our successful track record  
for execution and integration**

# Our Saputo Promise Supports Our Strategic Plan

This alignment allows us to pursue growth and create shared value for all stakeholders, ensuring the long-term sustainability of our business





# The Saputo Promise

## Selected goals and highlights



### OUR PEOPLE

Attract, develop, and retain top talent

**#56** out of **750** companies on *Forbes'* 2020 World's Best Employers list



### COMMUNITY

Create shared value for the communities that help us flourish

In response to COVID-19, we supported our communities through contributions totalling **over \$10M** to date



### FOOD QUALITY & SAFETY

Supply our customers and consumers with products that are safe and of the upmost quality



### BUSINESS ETHICS

Maintain our strong reputation of business integrity



### ENVIRONMENT

Reduce our impact on, and adapt to, climate change

FY21 projects to yield potential annual **climate, water, and waste savings** of more than:



**60,000**  
GJ of energy



**8,000**  
tons of CO<sub>2</sub>



**700**  
million L of water



### RESPONSIBLE SOURCING

Contribute to a sustainable, resilient, and equitable food system

To address environmental considerations beyond the scope of our operations, we will launch our **Supply Chain Pledges** in FY22



### NUTRITION AND HEALTHY LIVING

Enable healthy communities through nutritious foods

Our **new Saputo Nutrient Profiling Model** will be launched in FY22

# Capital Structure Positioned for Growth

## Guiding principles

**Disciplined approach** to financial and cash management

**Steady** operational **cash flow** generation

**Target** net debt to adjusted EBITDA\* **leverage** ratio of **2.25x**

**Balanced funding** and staggered maturity profile to **provide flexibility**

Additional **financing capacity** and access to capital

Beyond funding our Global Strategic Plan, we'll continue to deploy cash in a responsible manner for:  
**Capex • Dividends • Debt repayments • Acquisitions • Share repurchases**

# COVID-19 Response and Resilience

**As an essential provider, Saputo continues to navigate through the pandemic with limited operational disruption**



## Key priorities

Safeguarding the health and well-being of our employees

Adapting commercial initiatives, production and supply chain to consumer demand

Supporting customers with insights to adapt their offerings and address changing needs

Product donations and financial support for our communities totaling over CDN\$10 million so far



**COVID-19 challenged us to improve our core business and set a strong base for future growth**



## A licence to change and pursue new paths

Swiftly pivoted operations and adapted to local realities in a cost-efficient manner

Curbed discretionary spending

Leveraged strong brands + adapted our product offering to capture retail opportunities

Launched e-commerce platforms

Stayed the course with strategic investments and Saputo Promise commitments

Healthy balance sheet and steady cash flow generation

Increased dividends

# COVID-19 Outlook

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**As long as government-imposed restrictions are in flux and vaccination campaigns haven't been fully deployed, we may need to contend with:**

Dairy commodity volatility

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Changes to consumer demand: retail / foodservice / industrial

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Potential for disruption within our operations and supply chain: production shutdowns, labour shortages

**Despite the turbulence, our foundations and balance sheet remain strong. We'll continue to focus on controlling the “controllables” and moving our business forward:**

Global Strategic Plan for organic growth (FY22-FY25)

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M&A opportunities

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Delivering on our Saputo Promise

# Strong and Seasoned Leadership Team

The quality and depth of our leadership team positions us for success



**Lino A. Saputo**

Chair of the Board and CEO

Rose through the ranks at Saputo and was named CEO in 2004



**Kai Bockmann**

President and COO  
Saputo Inc. and International  
Sector

25+ years of international business  
experience



**Maxime Therrien**

Chief Financial Officer  
and Secretary

28+ years of experience in finance



**Gaétane Wagner**

Chief Human Resources Officer

40+ years of experience in human  
resources



**Martin Gagnon**

Chief Acquisition and Strategic  
Development Officer

25+ years of experience in M&A,  
banking and law



**Carl Colizza**

President and COO (North  
America) and Dairy Division (USA)

24+ years of experience in  
engineering (13+) and operations (11+)



**Tom Atherton**

President and COO  
Dairy Division (UK)

27+ years of experience in finance and  
branded retail



**Lyne Castonguay**

Deputy President and COO  
Dairy Division (USA)

30+ years of international experience  
spanning commercial, operations,  
supply chain, logistics and e-commerce



**Marcelo Cohen**

President and COO  
Dairy Division (Argentina)

38+ years of experience in  
operations (6+) and finance (32+)



**Frank Guido**

President and COO  
Dairy Division (Canada)

25+ years of experience in supply chain  
and continuous improvement



**Richard Wallace**

President and COO  
Dairy Division (Australia)

31 years of experience in operations  
(27+) and overseeing the Australian  
business (4+)



**Leanne Cutts**

President and COO  
(International and Europe)

30+ years of international experience  
in general management and  
marketing roles

Appointment  
effective in the  
second half of  
calendar 2021

**350+ years of combined experience**

# The Table Is Set for Growth

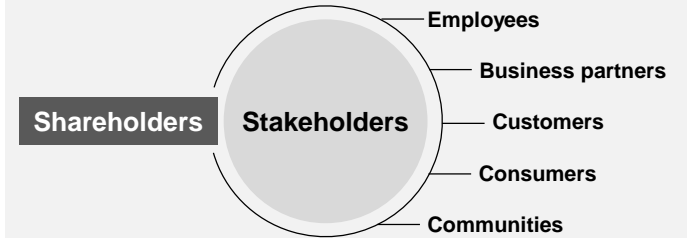
## A BIGGER, BETTER, STRONGER SAPUTO

### Our Goals

Pursue growth while investing in the long-term sustainability of our business

Enhance profitability

Create shared value for **all** our stakeholders



### Growth Strategy

#### Organic

Global Strategic Plan (FY22-FY25)



Strengthen core business



Accelerate product innovation



Increase the value of ingredients portfolio



Optimize and enhance operations



Create enablers to fuel investments

#### Acquisitions

Accretive M&A



### Our Saputo Promise



Food Quality & Safety



Our People



Business Ethics



Responsible Sourcing



Environment



Nutrition & Healthy Living



Community

### Our Values

Efficiency Through Simplicity

Family-Oriented Environment

Ownership & Commitment

Hands-On Approach

Passion



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# Contact

**Annik Langevin**

Specialist, Investor Relations and Media  
Saputo Inc.

6869 Métropolitain Blvd. East

Montréal, QC Canada H1P 1X8

1-514-328-3141 or 1-866-648-5902

[investors@saputo.com](mailto:investors@saputo.com)

[www.saputo.com](http://www.saputo.com)



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# Appendix

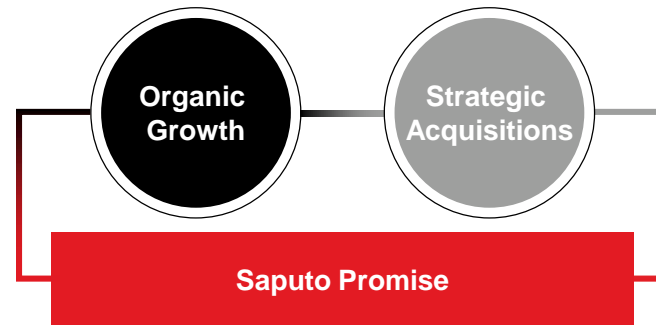
# Saputo Investment Highlights

We strike the right balance between operating responsibly and pursuing growth

Market offers growth opportunities

Global dairy industry growing YOY<sup>1</sup>

Well-defined growth strategy



Diversified global platform  
=  
**resilience and synergies**

Operational excellence

**Winning offering:**  
product quality  
brands  
value proposition

Clean balance sheet and strong liquidity

Consistent annual dividend increase

Leading presence in key dairy regions