

Welcome to your CDP Climate Change Questionnaire 2020

C0. Introduction

C0.1

(C0.1) Give a general description and introduction to your organization.

Saputo produces, markets, and distributes a wide array of dairy products of the utmost quality, including cheese, fluid milk, extended shelf-life milk and cream products, cultured products, and dairy ingredients. Saputo is one of the top ten dairy processors in the world, a leading cheese manufacturer and fluid milk and cream processor in Canada, the top dairy processor in Australia, and the second largest in Argentina. In the USA, Saputo ranks among the top three cheese producers and is one of the largest producers of extended shelf-life and cultured dairy products. In the United Kingdom, Saputo is the largest manufacturer of branded cheese and a top manufacturer of dairy spreads. Saputo products are sold in several countries under market-leading brands, as well as private label brands. Saputo Inc. is a publicly traded company and its shares are listed on the Toronto Stock Exchange under the symbol “SAP”.

Key figures (as of August 2020):

- Approximately 17,200 employees
- Approximately 11 billion litres of milk/ year processed into various dairy products
- 65 plants: Canada Sector (21) USA Sector (26) International Sector (13) Europe Sector (5)
- Products sold in over 50 countries

As a global leader in dairy processing, we recognize our responsibility to demonstrate good corporate citizenship in everything we do. The Saputo Promise is our commitment to live up to the values on which our business was founded in 1954. It consists of 7 Pillars that form the backbone of our approach to social, environmental and economic performance. Our 7 Pillars are: Food Quality and Safety, Our People, Business Ethics, Responsible Sourcing, Environment, Nutrition and Healthy Living, and Community.

C0.2

(C0.2) State the start and end date of the year for which you are reporting data.

	Start date	End date	Indicate if you are providing emissions data for past reporting years	Select the number of past reporting years you will be providing emissions data for
Reporting year	April 1, 2019	March 31, 2020	Yes	3 years

C0.3

(C0.3) Select the countries/areas for which you will be supplying data.

- Argentina
- Australia
- Canada
- United Kingdom of Great Britain and Northern Ireland
- United States of America

C0.4

(C0.4) Select the currency used for all financial information disclosed throughout your response.

- CAD

C0.5

(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory.

- Operational control

C-AC0.6/C-FB0.6/C-PF0.6

(C-AC0.6/C-FB0.6/C-PF0.6) Are emissions from agricultural/forestry, processing/manufacturing, distribution activities or emissions from the consumption of your products – whether in your direct operations or in other parts of your value chain – relevant to your current CDP climate change disclosure?

	Relevance
Agriculture/Forestry	Elsewhere in the value chain only [Agriculture/Forestry/processing/manufacturing/Distribution only]
Processing/Manufacturing	Direct operations only [Processing/manufacturing/Distribution only]
Distribution	Direct operations only [Processing/manufacturing/Distribution only]
Consumption	Elsewhere in the value chain only [Agriculture/Forestry/processing/manufacturing/Distribution only]

C-AC0.6b/C-FB0.6b/C-PF0.6b

(C-AC0.6b/C-FB0.6b/C-PF0.6b) Why are emissions from agricultural/forestry activities undertaken on your own land not relevant to your current CDP climate change disclosure?

Row 1

Primary reason

Do not own/manage land

Please explain

As a global dairy processor, milk is our primary ingredient which we source from third-party suppliers. An estimate of GHG emissions from supplying dairy farms outside our operational control are reported as part of our Scope 3 emissions.

C-AC0.7/C-FB0.7/C-PF0.7

(C-AC0.7/C-FB0.7/C-PF0.7) Which agricultural commodity(ies) that your organization produces and/or sources are the most significant to your business by revenue?

Select up to five.

Agricultural commodity

Other, please specify

Milk

% of revenue dependent on this agricultural commodity

More than 80%

Produced or sourced

Sourced

Please explain

As a global dairy processor, milk is our primary ingredient which we source from third-party suppliers. An estimate of GHG emissions from supplying dairy farms outside our operational control are reported as part of our Scope 3 emissions.

C1. Governance

C1.1

(C1.1) Is there board-level oversight of climate-related issues within your organization?

Yes

C1.1a

(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.

Position of individual(s)	Please explain
Board-level committee	The Board of Directors is responsible for the stewardship of Saputo. As such, it oversees the management of our business so as to enhance the creation of long-

	<p>term shareholder value while considering the interests of our various stakeholders, including shareholders, employees, customers, suppliers, business partners, and the communities where we operate.</p> <p>In order to better fulfil its mandate, the Board:</p> <ul style="list-style-type: none"> • oversees the Environmental, Social and Governance (ESG) factors material to our business and the deployment of appropriate measures to manage them; and • oversees our practices, guidelines and policies related to the Saputo Promise. <p>The Board of Directors' Audit Committee, composed of four or our Board members, is responsible for reviewing and evaluating the risk factors inherent to Saputo and ensuring that appropriate measures are in place to enable Management to identify and manage such risk factors effectively. The Audit Committee, that has oversight responsibility for enterprise risk, has ultimate responsibility for environmental risks, including those that are climate-related. The Audit Committee meets regularly and reports to the Board quarterly.</p>
Board-level committee	<p>The Environmental Committee, which includes the Chair of the Board and Chief Executive Officer, Saputo Inc., the President and Chief Operating Officer, Saputo Inc. and International Sector, the President of each operating division and the senior manager in each division responsible for environmental matters, is responsible for overseeing the application of the Environmental Policy and meets quarterly to discuss our environmental risks, the required action plans, and the status of ongoing projects.</p>
Other C-Suite Officer	<p>In FY2020, we pledged to accelerate our global climate performance and announced clear targets and a formal commitment to make significant and sustainable progress by 2025. We established a governance framework to foster Company-wide accountability and ownership, with one of our Divisional President and COO acting as global champion.</p>

C1.1b

(C1.1b) Provide further details on the board's oversight of climate-related issues.

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Please explain
Scheduled – some meetings	Reviewing and guiding risk management policies	The Audit Committee receives quarterly reports from the Environmental Committee and an annual presentation from its Chair. The Environmental Committee, which includes the Chief Executive Officer, the President and Chief Operating Officer, Saputo Inc. and International Sector, the President of each operating division and the senior manager in each division responsible for environmental matters, is

		responsible for overseeing the application of the Environmental Policy and meets quarterly to discuss our environmental risks, the required action plans, and the status of ongoing projects.
Scheduled – all meetings	Monitoring and overseeing progress against goals and targets for addressing climate-related issues	The Environmental Committee, which includes the Chair of the Board and Chief Executive Officer, Saputo Inc., the President and Chief Operating Officer, Saputo Inc. and International Sector, the President of each operating division and the senior manager in each division responsible for environmental matters, is responsible for overseeing the application of the Environmental Policy and meets quarterly to discuss our environmental risks, the required action plans, and the status of ongoing projects.

C1.2

(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.

Name of the position(s) and/or committee(s)	Responsibility	Frequency of reporting to the board on climate-related issues
Other committee, please specify Environmental Committee	Both assessing and managing climate-related risks and opportunities	Quarterly
Other C-Suite Officer, please specify Divisional President and Chief Operating Officer	Both assessing and managing climate-related risks and opportunities	Annually
Other, please specify Director, Corporate Responsibility	Both assessing and managing climate-related risks and opportunities	Annually
Corporate responsibility committee	Both assessing and managing climate-related risks and opportunities	Quarterly
Environment/ Sustainability manager	Both assessing and managing climate-related risks and opportunities	Quarterly

C1.2a

(C1.2a) Describe where in the organizational structure this/these position(s) and/or committees lie, what their associated responsibilities are, and how climate-related issues are monitored (do not include the names of individuals).

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 to enable Management to identify and manage such risk factors effectively. The Audit Committee, that has oversight responsibility for enterprise risk, has ultimate responsibility for environmental risks, including those that are climate-related. The Audit Committee meets regularly and reports to the Board quarterly.

The Audit Committee receives quarterly reports from the Environmental Committee and an annual presentation from its Chair. The Environmental Committee, which includes the Chief Executive Officer, the President and Chief Operating Officer, Saputo Inc. and International Sector, the President of each operating division and the senior manager in each division responsible for environmental matters, is responsible for overseeing the application of the Environmental Policy and meets quarterly to discuss our environmental risks, the required action plans, and the status of ongoing projects.

Following the launch of our environmental targets in FY2020, we established a governance framework to foster Company-wide accountability and ownership, with one of our Divisional President and COO acting as global champion.

Saputo's Director, Corporate Responsibility, is responsible for assessing climate-related risks, informing Management, and ensuring appropriate mitigation measures and action plans are in place in our global operations. Each division also has an Environment/Sustainability managers who ensures environmental risks, including those that are climate-related, are appropriately managed at the local level.

The Corporate Responsibility Committee oversees the overall strategy of the Saputo Promise and monitors our progress for each of our seven Pillars.

C1.3

(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?

	Provide incentives for the management of climate-related issues	Comment
Row 1	No, and we do not plan to introduce them in the next two years	The Board and Management are committed to advancing the Company's environmental practices. In FY2020, we took an important step towards safeguarding the environment by pledging to accelerate our global climate, water and waste performance with clear targets and a formal commitment to make significant and sustainable progress by FY2025. The governance structure around these targets is robust. The tone at the top is clear regarding our focus on pursuing environmentally responsible business practices as a strategic priority. With a strong foundation in place and clear strategic direction, we will

		continue looking for opportunities to improve performance and developing key performance indicators for our goals.
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C2. Risks and opportunities

C2.1

(C2.1) Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities?

Yes

C2.1a

(C2.1a) How does your organization define short-, medium- and long-term time horizons?

	From (years)	To (years)	Comment
Short-term	0	3	Consistent with our action plans for the Saputo Promise
Medium-term	3	5	the period is defined as between short and long term
Long-term	5	10	Consistent with the timeline used to evaluate climate-related risks

C2.1b

(C2.1b) How does your organization define substantive financial or strategic impact on your business?

Integrated into multi-disciplinary company-wide risk identification, assessment, and management processes

C2.2

(C2.2) Describe your process(es) for identifying, assessing and responding to climate-related risks and opportunities.

Value chain stage(s) covered

Direct operations

Risk management process

Integrated into multi-disciplinary company-wide risk management process

Frequency of assessment

Annually

Time horizon(s) covered

Medium-term

Description of process

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 to enable Management to identify and manage such risk factors effectively. The Audit Committee, that has oversight responsibility for enterprise risk, has ultimate responsibility for environmental risks, including those that are climate-related. The Audit Committee meets regularly and reports to the Board quarterly.

Under the Audit Committee's oversight, Management, assisted by the Company's internal audit team, identifies the principal risks relating to the Company's business and determines adequate measures to manage these risks. Management also identifies key performance indicators to measure each risk identified and provides the Audit Committee with a quarterly performance report. The Audit Committee reviews annually the list of risks monitored and the key performance indicators. The Company's internal audit team and Management are responsible to assess the risks to which the Company is exposed on a periodic basis and present the results of their assessments to the Audit Committee.

Management oversight to climate-related risks is delegated to the Environmental Committee. The Environmental Committee is responsible for overseeing the application of the Environmental Policy and meets quarterly to discuss our environmental risks, the required action plans, and the status of ongoing projects. The Audit Committee receives quarterly reports from the Environmental Committee and an annual presentation from its Chair.

In 2018, we commissioned an external consultant to identify and review climate-related risks across our global operations up to 2025 — guided by the approach recommended by the TCFD framework. This high-level review focused on identifying transitional risks across our value chain, as well as evaluating future direct and indirect transition costs related to carbon prices under different scenarios. A high-level review of physical risks was also conducted with an industry benchmarking exercise on what our peers are doing.

In FY2020, we pledged to accelerate our global climate, water, and waste performance and announced clear targets and a formal commitment to make significant and sustainable progress by 2025.

We've allocated additional resources to support the execution of this global action plan, including a three-year investment of CDN\$50 million. Accordingly, we updated our Environmental Policy to reflect and uphold our 2025 goals and our long-term commitment to pursue environmentally responsible business practices. We expect to deliver on these tangible goals with targeted initiatives focusing on renewable electricity and energy efficiency.

Looking ahead, we'll also extend our efforts to our supply chain to further assist and help address industry-wide environmental considerations.

C2.2a

(C2.2a) Which risk types are considered in your organization's climate-related risk assessments?

	Relevance & inclusion	Please explain
Current regulation	Relevant, always included	Risks and uncertainties are disclosed as part of our Annual Report and include current regulation as "Saputo's business and operations are subject to environmental laws and regulations, including those relating to permitting requirements, wastewater discharges, air emissions, greenhouse gases, releases of hazardous substances, and remediation of contaminated sites. Compliance with these laws and regulations requires that the Company continue to incur operating and maintenance costs and capital expenditures, including to control potential impacts of its operations on local communities." Furthermore, our climate-related risk assessment carried out in 2018 focused on transitions risks as defined by the TCFD including: policy and legal, technology, market and reputation. Current regulations were assessed as part of this review. One of the Company's California facilities as well as one in the UK are currently subject to greenhouse gas emission reduction requirements, and are examples of current regulation assessed as part of our climate-risks review.
Emerging regulation	Relevant, always included	Risks and uncertainties are disclosed as part of our Annual Report and include future regulation as " Changes in environmental laws and regulations, evolving interpretation thereof or more vigorous regulatory enforcement policies (including as a result of increased concern over climate change, waste management, wastewater discharges, air emissions, greenhouse gases, or release of hazardous substances) could impose additional compliance costs, capital expenditures, as well as other financial obligations, which could have a material adverse effect on the financial position and performance of Saputo" Furthermore, our climate-related risk assessment carried out in 2018 focused on transitions risks as defined by the TCFD including: policy and legal, technology, market and reputation. Emerging regulations were assessed as part of the climate related risks review. Different scenarios were assessed to evaluate the potential costs of carbon across the different countries where we operate depending of the likelihood of emerging regulations (e.g. carbon tax, carbon cap and trade etc.) in these countries.

Technology	Relevant, always included	Our climate-related risk assessment carried out in 2018 focused on the transitions risks as defined by the TCFD including: policy and legal, technology, market and reputation. New low-carbon technology arising in the food industry were analyzed as part of this review. For example, there are new types of raw materials that can potentially substitute milk (e.g. animal-free dairy products). If this risk materializes, this may pose technological, as well as market challenges for the Company though it was assessed that the risk is currently not material for the short to medium term.
Legal	Relevant, always included	Risks and uncertainties are disclosed as part of our Annual Report and include legal risk as "Saputo's business and operations are subject to environmental laws and regulations, including those relating to permitting requirements, wastewater discharges, air emissions (greenhouse gases and other), releases of hazardous substances and remediation of contaminated sites. Compliance with these laws and regulations requires that the Company continue to incur operating and maintenance costs and capital expenditures." Our climate-related risk assessment carried out in 2018 focused on the transitions risks as defined by the TCFD including: policy and legal, technology, market and reputation. Exposure to litigation was assessed as part of this review.
Market	Relevant, always included	Our climate-related risk assessment carried out in 2018 focused on the transitions risks as defined by the TCFD including: policy and legal, technology, market and reputation. Market factors such as the price of raw material and end consumer preferences for plant-based products were evaluated as part of this review. To respond to these risks, we constantly monitor consumer trends and aim to respond accordingly. For instance, we've committed to diversifying our product portfolio by pursuing more plant-based opportunities in line with increasing consumer demand for these types of products. We see the operational, commercial, and strategic benefits of expanding our presence in this category, and we appointed a Senior Vice President, Business Development, Plant-Based Food to lead our efforts. We're also open to acquisition opportunities that might enable us to grow our branded presence in this category.
Reputation	Relevant, always included	Our climate-related risk assessment carried out in 2018 focused on the transitions risks as defined by the TCFD including: policy and legal, technology, market and reputation. Reputational risks were assessed as part of this review.
Acute physical	Relevant, always included	Risks and uncertainties are disclosed as part of our Annual Report and include acute physical risks as "Major events, such as natural disasters, or increased frequency or intensity of extreme weather conditions (including as a result of climate change), could lead to unanticipated business disruptions at any or certain of the Company's

		manufacturing facilities. The effect would be more significant if the Company's larger manufacturing facilities are affected, in which case, the failure to find alternative suppliers or to replace lost production capacity in a timely manner could negatively affect the Company's financial performance and condition. " Our climate-related risk assessment carried out in 2018 also addressed key physical risks to our operations.
Chronic physical	Relevant, always included	Risks and uncertainties are disclosed as part of our Annual Report and include chronic physical risks as "Saputo purchases raw materials that may represent up to 85% of the cost of products. It processes raw materials into finished edible products intended for resale to a broad range of customers. Availability of raw materials as well as variations in the price of foodstuffs (including as a result of climate change or extreme weather) can impact production costs and capacity utilization and therefore affect the Company's results. The effect of any increase of foodstuff prices on results depends on the Company's ability to transfer those increases to its customers and this, in the context of a competitive market. " Our climate-related risk assessment carried out in 2018 also addressed key physical risks to our operations.

C2.3

(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.3a

(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Risk 1

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Current regulation
Carbon pricing mechanisms

Primary potential financial impact

Increased indirect (operating) costs

Company-specific description

One facility in California and another in the United Kingdom are currently subject to an emission trading scheme and are required to comply with the requirements. One facility in Canada is also participating on a voluntary basis. Carbon permits (or credits) price is not fixed and is subject to market forces of supply and demand, which have historically resulted in price increase year over year.

Time horizon

Short-term

Likelihood

Very likely

Magnitude of impact

Low

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

1,000,000

Potential financial impact figure – maximum (currency)

2,000,000

Explanation of financial impact figure

There is a financial implication but the cost of compliance to trading scheme depends on market conditions within the emissions trading schemes. While not insignificant, the impact is not considered material relative to other risks to the business. The range represents annual impact based on a carbon price scenarios which represents the most likely scenario for the short to medium term.

Cost of response to risk

0

Description of response and explanation of cost calculation

The Company stays apprised of new climate change legislation, has appropriate monitoring plans in place where required, and complies with the registration or reporting requirements currently applicable to some of its facilities. The Environmental Affairs departments within each division ensure compliance. To mitigate this risk, the Company also invests in carbon reduction projects with payback usually ranging between 1 to 3 years so therefore, not contributing to direct costs of response.

Comment

There's no material management costs as the Environmental Affairs departments within each division ensure compliance and payback period of carbon reduction projects is usually short-term.

Identifier

Risk 2

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Current regulation
Carbon pricing mechanisms

Primary potential financial impact

Increased indirect (operating) costs

Company-specific description

Fuel prices in certain jurisdictions where we have operations are affected either by carbon taxes or by emissions trading scheme. Saputo purchases energy to process raw materials and manufacture finished goods. Fuel/energy taxes and regulations can increase costs.

Time horizon

Short-term

Likelihood

Very likely

Magnitude of impact

Low

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

2,000,000

Potential financial impact figure – maximum (currency)

4,000,000

Explanation of financial impact figure

The cost of purchased fuels will likely increase due to carbon pricing mechanism. The figure represents an estimated annual impact and based on a carbon price and energy policies in our different markets which represents the most likely scenario for the short to medium term.

Cost of response to risk

0

Description of response and explanation of cost calculation

To mitigate this risk, Saputo strives to use standard cost/benefit analysis to determine actions as well as a dedicated global budget to ensure investments in energy efficiency. These investments have an average payback usually ranging between 1 to 3 years so therefore not contributing to direct costs of response.

Comment

The Company stays apprised of new climate change legislation, and has appropriate monitoring plans in place where required to evaluate purchased energy costs.

Identifier

Risk 3

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Legal

Exposure to litigation

Primary potential financial impact

Increased capital expenditures

Company-specific description

The Company's global operations are subject to various federal, provincial, state, municipal and local laws and regulations relating to environmental protection.

Time horizon

Short-term

Likelihood

More likely than not

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

16,000,000

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

Saputo addresses its environmental compliance with due diligence and during fiscal 2020, invested approximately \$16 million to ensure its Environmental Policy commitments were met. Some of these actions also contributes to reducing climate related risks.

Cost of response to risk

0

Description of response and explanation of cost calculation

The Company stays apprised of new climate change legislation, has appropriate monitoring plans in place where required, and complies with the registration or reporting requirements currently applicable to some of its facilities. The Environmental Affairs departments within each division ensure compliance.

Comment

The Environmental Affairs departments within each division ensure compliance.

Identifier

Risk 4

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Reputation
Shifts in consumer preferences

Primary potential financial impact

Decreased revenues due to reduced demand for products and services

Company-specific description

A growing group of consumers are turning away from animal-related products in favour of plant-based alternatives in an attempt to reduce their carbon footprints. This could lead to reduce demand for dairy products. Some of our customers are addressing this trend by asking GHG emissions reduction throughout the supply chain.

Time horizon

Short-term

Likelihood

More likely than not

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

No figure provided

Cost of response to risk

0

Description of response and explanation of cost calculation

We constantly monitor consumer trends and aim to respond accordingly. For instance, we've committed to diversifying our product portfolio by pursuing more plant-based opportunities in line with increasing consumer demand for these types of products. We see the operational, commercial, and strategic benefits of expanding our presence in this category, and we appointed a Senior Vice President, Business Development, Plant-Based Food to lead our efforts. We're also open to acquisition opportunities that might enable us to grow our branded presence in this category.

Comment

The cost of management is included in the current operational structure.

Identifier

Risk 5

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Acute physical

Increased severity and frequency of extreme weather events such as cyclones and floods

Primary potential financial impact

Increased capital expenditures

Company-specific description

Major events, such as natural disasters, could lead to unanticipated business disruption of any or certain of the Company's manufacturing facilities. The effect would be more significant if the Company's larger manufacturing facilities are affected, in which case, the failure to find alternative suppliers or to replace lost production capacity in a timely manner could negatively affect the Company's financial condition and performance.

Time horizon

Medium-term

Likelihood

More likely than not

Magnitude of impact

Medium-high

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

No figure provided

Cost of response to risk

0

Description of response and explanation of cost calculation

Our risk management team ensures that mitigation measures are in place in all our facilities to minimize the impacts of natural disasters on our assets.

Comment

The management of these risks are managed by our risk team.

Identifier

Risk 6

Where in the value chain does the risk driver occur?

Upstream

Risk type & Primary climate-related risk driver

Market

Increased cost of raw materials

Primary potential financial impact

Increased direct costs

Company-specific description

Saputo purchases raw materials that may represent up to 85% of the cost of products. Changes in weather patterns could impact the price and the availability of the raw material and therefore, influencing the Company's results upwards or downwards.

Time horizon

Short-term

Likelihood

More likely than not

Magnitude of impact

High

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

No figure provided

Cost of response to risk

0

Description of response and explanation of cost calculation

In each of our markets, we have dedicated team responsible for supplying raw ingredients.

Comment

The cost of management is included in the current operational structure.

Identifier

Risk 7

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Market

Increased cost of raw materials

Primary potential financial impact

Increased direct costs

Company-specific description

Fuel prices in certain jurisdictions where we have operations are affected either by carbon taxes or by emissions trading scheme which can impact our transportation costs.

Time horizon

Short-term

Likelihood

Very likely

Magnitude of impact

Medium-low

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

No figure provided

Cost of response to risk

0

Description of response and explanation of cost calculation

In each of our markets, we have dedicated team responsible for transportation contracts,

Comment

The cost of management is included in the current operational structure.

C2.4

(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.4a

(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Opp1

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Resource efficiency

Primary climate-related opportunity driver

Use of more efficient production and distribution processes

Primary potential financial impact

Reduced indirect (operating) costs

Company-specific description

Saputo purchases energy to process raw materials and manufacture finished goods. There is an opportunity for Saputo to contribute to minimizing climate change impact by implementing energy-efficiency initiatives. Saputo uses cost/benefit analysis to determine actions to constantly identify and review projects with the potential of reducing costs and energy use.

Time horizon

Medium-term

Likelihood

More likely than not

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

15,000,000

Potential financial impact figure – maximum (currency)

20,000,000

Explanation of financial impact figure

Estimated annual energy costs savings of achieving our energy efficiency target.

Cost to realize opportunity

16,666,667

Strategy to realize opportunity and explanation of cost calculation

In FY2020, we announced clear climate targets and a formal commitment to make significant and sustainable progress by 2025. We expect to deliver on these tangible goals with targeted initiatives focusing on renewable electricity, resource conservation and sustainable packaging. We will allocate additional resources to support the execution of this global action plan, including a three-year investment of CDN\$50 million.

Comment

Identifier

Opp2

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Energy source

Primary climate-related opportunity driver

Use of lower-emission sources of energy

Primary potential financial impact

Reduced indirect (operating) costs

Company-specific description

Some of our operations in Australia have been exposed to volatile electricity prices. Locking long-term prices through renewable energy power purchase agreement could reduce this exposure while also delivering financial benefits.

Time horizon

Short-term

Likelihood

Likely

Magnitude of impact

Low

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

1,000,000

Potential financial impact figure – maximum (currency)

2,000,000

Explanation of financial impact figure

This is the estimated savings in electricity costs which could be delivered through a renewable energy power purchase agreement (PPA).

Cost to realize opportunity

250,000

Strategy to realize opportunity and explanation of cost calculation

In each of our markets, we have dedicated teams responsible for buying energy including evaluating opportunities arising from the renewable energy market. The cost to realize the opportunity is an estimate of consultants fees required to complete the PPA. We expect those fees to reduce overtime as we build our own internal expertise in sourcing renewable energy through PPAs.

Comment

Identifier

Opp3

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Products and services

Primary climate-related opportunity driver

Shift in consumer preferences

Primary potential financial impact

Increased revenues through access to new and emerging markets

Company-specific description

We constantly monitor consumer trends and aim to respond accordingly. For instance, we've committed to diversifying our product portfolio by pursuing more plant-based opportunities in line with increasing consumer demand for these types of products. We see the operational, commercial, and strategic benefits of expanding our presence in this category, and we appointed a Senior Vice President, Business Development, Plant-Based Food to lead our efforts. We're also open to acquisition opportunities that might enable us to grow our branded presence in this category.

Time horizon

Short-term

Likelihood

Very likely

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

No figure provided as this is considered commercially sensitive information.

Cost to realize opportunity

0

Strategy to realize opportunity and explanation of cost calculation

We constantly monitor consumer trends and aim to respond accordingly. For instance, we've committed to diversifying our product portfolio by pursuing more plant-based opportunities in line with increasing consumer demand for these types of products. We see the operational, commercial, and strategic benefits of expanding our presence in this category, and we appointed a Senior Vice President, Business Development, Plant-Based Food to lead our efforts. We're also open to acquisition opportunities that might enable us to grow our branded presence in this category.

Comment

The cost of management is included in the current operational structure.

C3. Business Strategy

C3.1

(C3.1) Have climate-related risks and opportunities influenced your organization's strategy and/or financial planning?

Yes

C3.1a

(C3.1a) Does your organization use climate-related scenario analysis to inform its strategy?

Yes, qualitative

C3.1b

(C3.1b) Provide details of your organization’s use of climate-related scenario analysis.

Climate-related scenarios and models applied	Details
Other, please specify qualitative only	In 2018, we commissioned an external consultant to identify and review climate-related risks across our global operations up to 2025 — guided by the approach recommended by the TCFD framework. This high-level review focused on identifying transitional risks across our value chain, as well as evaluating future direct and indirect transition costs related to carbon prices under different scenarios. A high-level review of physical risks was also conducted with an industry benchmarking exercise on what our peers are doing. We are aware of the objectives and requirements of the Task Force for Climate Related Financial Disclosures (TCFD) and its recommendations which encompasses climate-related scenario analysis to inform business strategy. We will continue to explore how we can further adopt the recommendations of the TCFD as we continue to progress on our journey.

C3.1d

(C3.1d) Describe where and how climate-related risks and opportunities have influenced your strategy.

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
Products and services	Evaluation in progress	We constantly monitor consumer trends and aim to respond accordingly. For instance, we’ve committed to diversifying our product portfolio by pursuing more plant-based opportunities in line with increasing consumer demand for these types of products that are seen to be more climate-friendly. We see the operational, commercial, and strategic benefits of expanding our presence in this category, and we appointed a Senior Vice President, Business Development, Plant-Based Food to lead our efforts. We’re also open to acquisition opportunities that might enable us to grow our branded presence in this category.
Supply chain and/or value chain	Evaluation in progress	In FY2020, we pledged to accelerate our global climate, water and waste performance and announced clear targets and a formal commitment to make significant and sustainable progress by 2025. We expect to deliver on these tangible goals with targeted initiatives focusing on

		renewable electricity, resource conservation and sustainable packaging. Looking ahead, we will extend efforts to its supply chain to further assist in helping address industry-wide environmental considerations.
Investment in R&D	Evaluation in progress	<p>In FY2020, we pledged to accelerate our global climate, water and waste performance and announced clear targets and a formal commitment to make significant and sustainable progress by 2025. This commitment includes researching new packaging solutions.</p> <p>To accelerate our progress and ensure we leverage our global capabilities, we've set up an internal Sustainable Packaging Group, which is composed of packaging engineers, packaging procurement specialists, and sustainability experts from all our divisions. The Group meets quarterly to bring their complementary expertise together, creating an opportunity to connect, share challenges, and best practices around sustainable packaging. In the last few months, members of the Sustainable Packaging Group have focused on developing the global process to establish a baseline and track progress against our packaging targets.</p>
Operations	Yes	<p>In FY2020, we pledged to accelerate our global climate, water and waste performance and announced clear targets and a formal commitment to make significant and sustainable progress by 2025.</p> <p>More specifically, we commit to:</p> <p>CLIMATE Reducing CO2 intensity of our operation by 20% Reducing the energy intensity of our operations by 10%</p> <p>WATER Reducing water intensity of our operation by 10% Reducing total waste by 25%</p> <p>WASTE Increasing diversion rate to 75% Reducing food waste by 50% Reduce our material use in our packaging by 15% Ensure 100% of our packaging is reusable, recyclable or compostable Ensure our packaging includes at least 15% of recycled or renewable content</p> <p>We expect to deliver on these tangible goals with targeted initiatives focusing on renewable electricity, resource conservation and sustainable packaging. We will allocate</p>

		additional resources to support the execution of this global action plan, including a three-year investment of CDN\$50 million. Also, we have established a governance framework to foster Company-wide accountability and ownership, with one of our Executive serving as global champion. Looking ahead, we will extend efforts to its supply chain to further assist in helping address industry-wide environmental considerations.
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C3.1e

(C3.1e) Describe where and how climate-related risks and opportunities have influenced your financial planning.

	Financial planning elements that have been influenced	Description of influence
Row 1	Capital expenditures	The Company has allocated additional resources to support the execution of the global action plan to mitigate climate risks, focusing on achieving our FY2025 targets by investing in renewable electricity, resource conservation projects and sustainable packaging. Saputo has publicly committed to a three-year investment of CDN\$50 million.

C3.1f

(C3.1f) Provide any additional information on how climate-related risks and opportunities have influenced your strategy and financial planning (optional).

C4. Targets and performance

C4.1

(C4.1) Did you have an emissions target that was active in the reporting year?

Intensity target

C4.1b

(C4.1b) Provide details of your emissions intensity target(s) and progress made against those target(s).

Target reference number

Int 1

Year target was set

2020

Target coverage

Company-wide

Scope(s) (or Scope 3 category)

Scope 1+2 (market-based)

Intensity metric

Metric tons CO₂e per metric ton of product

Base year

2020

Intensity figure in base year (metric tons CO₂e per unit of activity)

0.218

% of total base year emissions in selected Scope(s) (or Scope 3 category) covered by this intensity figure

100

Target year

2025

Targeted reduction from base year (%)

20

Intensity figure in target year (metric tons CO₂e per unit of activity) [auto-calculated]

0.1744

% change anticipated in absolute Scope 1+2 emissions

0

% change anticipated in absolute Scope 3 emissions

0

Intensity figure in reporting year (metric tons CO₂e per unit of activity)

0.218

% of target achieved [auto-calculated]

0

Target status in reporting year

New

Is this a science-based target?

No, and we do not anticipate setting one in the next 2 years

Please explain (including target coverage)

In FY2020, we pledged to accelerate our global climate performance and announced clear targets and a formal commitment to make significant and sustainable progress by 2025. More specifically, we commit to, reducing CO2 intensity of our operations by 20% by 2025 (against FY2020 baseline). This target includes all our manufacturing facilities and distribution centres operated by Saputo globally. Fleet and offices are excluded.

C4.2

(C4.2) Did you have any other climate-related targets that were active in the reporting year?

Other climate-related target(s)

C4.2b

(C4.2b) Provide details of any other climate-related targets, including methane reduction targets.

Target reference number

Oth 1

Year target was set

2020

Target coverage

Company-wide

Target type: absolute or intensity

Intensity

Target type: category & Metric (target numerator if reporting an intensity target)

Energy consumption or efficiency

GJ

Target denominator (intensity targets only)

metric ton of product

Base year

2020

Figure or percentage in base year

2.98

Target year

2025

Figure or percentage in target year

2.682

Figure or percentage in reporting year

2.98

% of target achieved [auto-calculated]

0

Target status in reporting year

New

Is this target part of an emissions target?

In FY2020, we pledged to accelerate our global climate, water and waste performance and announced clear targets and a formal commitment to make significant and sustainable progress by 2025.

More specifically, we commit to:

CLIMATE

Reducing CO2 intensity of our operation by 20%

Reducing the energy intensity of our operations by 10%

Is this target part of an overarching initiative?

No, it's not part of an overarching initiative

Please explain (including target coverage)

In FY2020, we pledged to accelerate our global climate performance and announced clear targets and a formal commitment to make significant and sustainable progress by 2025. More specifically, we commit to, reducing energy intensity of our operations by 10% by 2025 (against FY2020 baseline). This target includes all our manufacturing facilities and distribution centres operated by Saputo globally. Fleet and offices are excluded.

C4.3

(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

Yes

C4.3a

(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation		
To be implemented*	4	8,100

Implementation commenced*		
Implemented*		
Not to be implemented		

C4.3b

(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.

Initiative category & Initiative type

Energy efficiency in production processes
Machine/equipment replacement

Estimated annual CO2e savings (metric tonnes CO2e)

1,200

Scope(s)

Scope 1

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

200,000

Investment required (unit currency – as specified in C0.4)

550,000

Payback period

1-3 years

Estimated lifetime of the initiative

16-20 years

Comment

Saputo has allocated additional resources to support the execution of the global action plan (Pledges), including a three-year investment of CDN\$50 million. The funds are allocated to projects that prioritize activities to keep us on track towards our longer-term goals. This initiative includes projects focusing on upgrading existing equipment, such as boilers, to more energy efficient processes. The projects have commenced after the reporting period.

Initiative category & Initiative type

Energy efficiency in production processes

Waste heat recovery

Estimated annual CO₂e savings (metric tonnes CO₂e)

5,100

Scope(s)

Scope 1

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

1,000,000

Investment required (unit currency – as specified in C0.4)

1,800,000

Payback period

1-3 years

Estimated lifetime of the initiative

16-20 years

Comment

Saputo has allocated additional resources to support the execution of the global action plan (Pledges), including a three-year investment of CDN\$50 million. The funds are allocated to projects that prioritize activities to keep us on track towards our longer-term goals. This initiative includes projects focusing on integrating new equipment, such as steam accumulator, to improve steam and heat recovery. The projects have commenced after the reporting period.

Initiative category & Initiative type

Energy efficiency in production processes

Process optimization

Estimated annual CO₂e savings (metric tonnes CO₂e)

700

Scope(s)

Scope 1

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

110,000

Investment required (unit currency – as specified in C0.4)

230,000

Payback period

1-3 years

Estimated lifetime of the initiative

16-20 years

Comment

Saputo has allocated additional resources to support the execution of the global action plan (Pledges), including a three-year investment of CDN\$50 million. The funds are allocated to projects that prioritize activities to keep us on track towards our longer-term goals. This initiative includes a project focusing on energy efficiency and energy conservation measures such as economizers. The projects have commenced after the reporting period.

Initiative category & Initiative type

Low-carbon energy generation
Solar PV

Estimated annual CO₂e savings (metric tonnes CO₂e)

1,100

Scope(s)

Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

235,000

Investment required (unit currency – as specified in C0.4)

835,000

Payback period

4-10 years

Estimated lifetime of the initiative

21-30 years

Comment

Saputo has allocated additional resources to support the execution of the global action plan (Pledges), including a three-year investment of CDN\$50 million. The funds are allocated to projects that prioritize activities to keep us on track towards our longer-term goals. This initiative includes a project to integrate solar energy as a primary source of electricity. The projects have commenced after the reporting period.

C4.3c

(C4.3c) What methods do you use to drive investment in emissions reduction activities?

Method	Comment
Dedicated budget for energy efficiency	In FY2020, we pledged to accelerate our global climate, water and waste performance and announced clear targets and a formal commitment to make significant and sustainable progress by 2025. We allocated additional resources to support the execution of this global action plan, including a three-year investment of CDN\$50 million dedicated to projects supporting our targets such as energy efficiency projects.
Financial optimization calculations	Using standard cost/benefit analysis to determine actions.
Compliance with regulatory requirements/standards	Saputo addresses its environmental compliance with due diligence and during fiscal 2020, invested approximately \$16 million to ensure its Environmental Policy commitments were met. Some of these actions also contributes to reducing climate related risks.
Dedicated budget for other emissions reduction activities	In FY2020, we pledged to accelerate our global climate, water and waste performance and announced clear targets and a formal commitment to make significant and sustainable progress by 2025. We allocated additional resources to support the execution of this global action plan, including a three-year investment of CDN\$50 million dedicated to projects supporting our targets such as low-carbon technology projects.

C4.5

(C4.5) Do you classify any of your existing goods and/or services as low-carbon products or do they enable a third party to avoid GHG emissions?

No

C5. Emissions methodology

C5.1

(C5.1) Provide your base year and base year emissions (Scopes 1 and 2).

Scope 1

Base year start

April 1, 2019

Base year end

March 31, 2020

Base year emissions (metric tons CO₂e)

560,141.87

Comment

In FY2020, we pledged to accelerate our global climate, water and waste performance and announced clear targets and a formal commitment to make significant and sustainable progress by 2025, with the baseline year being FY2020. As a result of this we have adjusted our reporting baseline year to align with our targets.

Scope 2 (location-based)

Base year start

April 1, 2019

Base year end

March 31, 2020

Base year emissions (metric tons CO₂e)

505,890.99

Comment

In FY2020, we pledged to accelerate our global climate, water and waste performance and announced clear targets and a formal commitment to make significant and sustainable progress by 2025, with the baseline year being FY2020. As a result of this we have adjusted our reporting baseline year to align with our targets.

Scope 2 (market-based)

Base year start

April 1, 2019

Base year end

March 31, 2020

Base year emissions (metric tons CO₂e)

473,855.55

Comment

In FY2020, we pledged to accelerate our global climate, water and waste performance and announced clear targets and a formal commitment to make significant and sustainable progress by 2025, with the baseline year being FY2020. As a result of this we have adjusted our reporting baseline year to align with our targets.

C5.2

(C5.2) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

Australia - National Greenhouse and Energy Reporting Act
IPCC Guidelines for National Greenhouse Gas Inventories, 2006
The Climate Registry: General Reporting Protocol
The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

C6. Emissions data

C6.1

(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO₂e?

Reporting year

Gross global Scope 1 emissions (metric tons CO₂e)

560,141.87

Start date

April 1, 2019

End date

March 31, 2020

Comment

The significant increase of scope 1 and 2 GHG emissions are mainly a result of important acquisitions over the last 3 years.

Past year 1

Gross global Scope 1 emissions (metric tons CO₂e)

500,133

Start date

April 1, 2018

End date

March 31, 2019

Comment

Past year 2

Gross global Scope 1 emissions (metric tons CO₂e)

407,267

Start date

April 1, 2017

End date

March 31, 2018

Comment

Past year 3

Gross global Scope 1 emissions (metric tons CO₂e)

381,618

Start date

April 1, 2016

End date

March 31, 2017

Comment

C6.2

(C6.2) Describe your organization's approach to reporting Scope 2 emissions.

Row 1

Scope 2, location-based

We are reporting a Scope 2, location-based figure

Scope 2, market-based

We are reporting a Scope 2, market-based figure

Comment

For market based figure:

18.8% of Australia's electricity usage is covered by Renewable Energy Certificates (RECs) and has been reported at zero emissions.

Other Scope 2 market-based emissions have been calculated as follows:

- supplier-specific emission factors in the UK only
- location-based grid emission factors in Australia (for electricity usage not covered by RECs), Argentina, Canada, and the USA as no published residual mix grid averages are available for these regions. This may result in double counting between electricity consumers as location-based grid emission factors potentially include renewable energy sources that were purchased and credited as market-based instruments.

C6.3

(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO₂e?

Reporting year

Scope 2, location-based

505,890.99

Scope 2, market-based (if applicable)

473,855.55

Start date

April 1, 2019

End date

March 31, 2020

Comment

The significant increase of scope 1 and 2 GHG emissions are mainly a result of important acquisitions over the last 3 years.

Past year 1

Scope 2, location-based

500,067

Scope 2, market-based (if applicable)

Start date

April 1, 2018

End date

March 31, 2019

Comment

Past year 2

Scope 2, location-based

333,317

Scope 2, market-based (if applicable)

Start date

April 1, 2017

End date

March 31, 2018

Comment

Past year 3

Scope 2, location-based

322,643

Scope 2, market-based (if applicable)

Start date

April 1, 2016

End date

March 31, 2017

Comment

C6.4

(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?

Yes

C6.4a

(C6.4a) Provide details of the sources of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure.

Source

Emissions from our offices

Relevance of Scope 1 emissions from this source

No emissions from this source

Relevance of location-based Scope 2 emissions from this source

Emissions are not relevant

Relevance of market-based Scope 2 emissions from this source (if applicable)

Emissions are not relevant

Explain why this source is excluded

The emissions from our offices are not considered material as they fall below 1% of our total scope 1 and 2 emissions.

Source

Fugitive emissions from refrigerant gases

Relevance of Scope 1 emissions from this source

Emissions are not relevant

Relevance of location-based Scope 2 emissions from this source

No emissions from this source

Relevance of market-based Scope 2 emissions from this source (if applicable)

No emissions from this source

Explain why this source is excluded

The fugitive emissions from refrigerant gases are not considered material as they fall below 1% of our total scope 1 and 2 emissions.

Source

Emissions from wastewater treatment

Relevance of Scope 1 emissions from this source

Emissions are not relevant

Relevance of location-based Scope 2 emissions from this source

No emissions from this source

Relevance of market-based Scope 2 emissions from this source (if applicable)

No emissions from this source

Explain why this source is excluded

The emissions from wastewater treatment are not considered material as they fall below 1% of our total scope 1 and 2 emissions.

C6.5

(C6.5) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

Evaluation status

Relevant, calculated

Metric tonnes CO₂e

22,403,995.63

Emissions calculation methodology

The emissions were estimated using emissions factors from the Global Livestock Environmental Assessment Model (GLEAM).

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

We used our own data based on the quantity of milk purchased to calculate these emissions.

Capital goods

Evaluation status

Relevant, not yet calculated

Please explain

Carbon emissions embodied in purchased capital goods are relevant but have not yet been comprehensively assessed.

Fuel-and-energy-related activities (not included in Scope 1 or 2)

Evaluation status

Relevant, not yet calculated

Please explain

Carbon emissions from fuel and energy related activities are relevant but have not yet been comprehensively assessed.

Upstream transportation and distribution

Evaluation status

Relevant, not yet calculated

Please explain

Carbon emissions from upstream transportation and distribution are relevant but have not yet been comprehensively assessed.

Waste generated in operations

Evaluation status

Relevant, not yet calculated

Please explain

Carbon emissions from waste generated in operations are relevant but have not yet been comprehensively assessed.

Business travel

Evaluation status

Relevant, calculated

Metric tonnes CO₂e

13,186

Emissions calculation methodology

Business travel emissions was calculated based on data obtained from third party travel agencies

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Please explain

These emissions are for air travel only.

Employee commuting

Evaluation status

Not relevant, explanation provided

Please explain

Not considered to be relevant because the emissions due to employee commuting are not material when compared to overall estimated scope 3 emissions sources within the dairy sector.

Upstream leased assets

Evaluation status

Not evaluated

Please explain

Carbon emissions have not yet been comprehensively assessed.

Downstream transportation and distribution

Evaluation status

Relevant, not yet calculated

Please explain

Carbon emissions from downstream transportation and distribution are relevant but have not yet been comprehensively assessed.

Processing of sold products

Evaluation status

Relevant, not yet calculated

Please explain

Evaluation of the lifecycle impacts of milk and dairy products indicates that emissions associated with the consumer use of phase of our products (e.g. refrigeration and cooking) are considerably lower than emissions in the upstream supply chain. Consequently, we have focused our resources on areas of our value chain where the greatest emissions occur.

Use of sold products

Evaluation status

Not evaluated

Please explain

Carbon emissions from use of sold products have not yet been comprehensively assessed.

End of life treatment of sold products

Evaluation status

Not evaluated

Please explain

Carbon emissions from end of life treatment of sold products have not yet been comprehensively assessed.

Downstream leased assets

Evaluation status

Not evaluated

Please explain

Carbon emissions from downstream leased assets have not yet been comprehensively assessed.

Franchises

Evaluation status

Not relevant, explanation provided

Please explain

Saputo has minimal number of franchises so overall emissions from this source are not relevant.

Investments

Evaluation status

Not evaluated

Please explain

Carbon emissions from investments have not yet been comprehensively assessed.

Other (upstream)

Evaluation status

Not evaluated

Please explain

Other (downstream)

Evaluation status

Not evaluated

Please explain

C-AC6.6/C-FB6.6/C-PF6.6

(C-AC6.6/C-FB6.6/C-PF6.6) Can you break down your Scope 3 emissions by relevant business activity area?

Yes

C-AC6.6a/C-FB6.6a/C-PF6.6a

(C-AC6.6a/C-FB6.6a/C-PF6.6a) Disclose your Scope 3 emissions for each of your relevant business activity areas.

Activity

Agriculture/Forestry

Scope 3 category

Purchased goods and services

Emissions (metric tons CO₂e)

22,403,995.63

Please explain

This represents the emissions associated with the cow milk we purchased. Cow milk represents our most significant purchased good and our biggest scope3 emissions contributor.

C-AC6.8/C-FB6.8/C-PF6.8

(C-AC6.8/C-FB6.8/C-PF6.8) Is biogenic carbon pertaining to your direct operations relevant to your current CDP climate change disclosure?

No

C-AC6.9/C-FB6.9/C-PF6.9

(C-AC6.9/C-FB6.9/C-PF6.9) Do you collect or calculate greenhouse gas emissions for each commodity reported as significant to your business in C-AC0.7/FB0.7/PF0.7?

Agricultural commodities

Other
Milk

Do you collect or calculate GHG emissions for this commodity?

Yes

Please explain

Please see GHG emission reported under scope 3

C-AC6.9a/C-FB6.9a/C-PF6.9a

(C-AC6.9a/C-FB6.9a/C-PF6.9a) Report your greenhouse gas emissions figure(s) for your disclosing commodity(ies), explain your methodology, and include any exclusions.

Other

Reporting emissions by

Total

Emissions (metric tons CO₂e)

22,403,995.63

Change from last reporting year

Lower

Please explain

Scope 3 CO₂e emissions decreased by 1.2%.

C6.10

(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO₂e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Intensity figure

0.000071337

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO₂e)

1,066,032.86

Metric denominator

unit total revenue

Metric denominator: Unit total

14,943,500,000

Scope 2 figure used

Location-based

% change from previous year

3.84

Direction of change

Increased

Reason for change

Increase as a results of acquisition, change of boundary to align with out target and change in product mix

Intensity figure

0.000069194

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

1,033,997.42

Metric denominator

unit total revenue

Metric denominator: Unit total

14,943,500,000

Scope 2 figure used

Market-based

% change from previous year

0

Direction of change

No change

Reason for change

This is the first year reporting market-based emission figures.

C7. Emissions breakdowns

C7.1

(C7.1) Does your organization break down its Scope 1 emissions by greenhouse gas type?

Yes

C7.1a

(C7.1a) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used greenhouse warming potential (GWP).

Greenhouse gas	Scope 1 emissions (metric tons of CO2e)	GWP Reference
CO2	515,305.69	IPCC Fifth Assessment Report (AR5 – 100 year)
CH4	7,675.17	IPCC Fifth Assessment Report (AR5 – 100 year)
N2O	37,114.3	IPCC Fifth Assessment Report (AR5 – 100 year)

C7.2

(C7.2) Break down your total gross global Scope 1 emissions by country/region.

Country/Region	Scope 1 emissions (metric tons CO2e)
Argentina	44,354.86
Australia	182,970.58
Canada	91,085.84
United States of America	238,349.5
United Kingdom of Great Britain and Northern Ireland	3,381.09

C7.3

(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

By business division

C7.3a

(C7.3a) Break down your total gross global Scope 1 emissions by business division.

Business division	Scope 1 emissions (metric ton CO2e)
Canadian sector	91,085.84
USA sector	238,349.5
International sector	227,325.44
European sector	3,381.09

C-AC7.4/C-FB7.4/C-PF7.4

(C-AC7.4/C-FB7.4/C-PF7.4) Do you include emissions pertaining to your business activity(ies) in your direct operations as part of your global gross Scope 1 figure?

Yes

C-AC7.4b/C-FB7.4b/C-PF7.4b

(C-AC7.4b/C-FB7.4b/C-PF7.4b) Report the Scope 1 emissions pertaining to your business activity(ies) and explain any exclusions. If applicable, disaggregate your agricultural/forestry by GHG emissions category.

Activity

Processing/Manufacturing

Emissions (metric tons CO2e)

539,165.3

Methodology

Region-specific emissions factors

Please explain

This represents the emissions of our manufacturing operations.

Activity

Distribution

Emissions (metric tons CO2e)

20,976.57

Methodology

Region-specific emissions factors

Please explain

This represents the emissions from distribution activities such as transport, warehouse and distribution centers.

C7.5

(C7.5) Break down your total gross global Scope 2 emissions by country/region.

Country/Region	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)	Purchased and consumed electricity, heat,	Purchased and consumed low-carbon electricity, heat, steam or cooling accounted

			steam or cooling (MWh)	for in Scope 2 market-based approach (MWh)
Argentina	29,011.07	29,011.07	74,387	
Australia	195,142.65	158,499.69	192,746	36,193
Canada	48,608.36	48,608.36	247,079	
United States of America	216,159.28	216,159.28	492,612	
United Kingdom of Great Britain and Northern Ireland	16,969.64	21,577.2	66,391	

C7.6

(C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.

By business division

C7.6a

(C7.6a) Break down your total gross global Scope 2 emissions by business division.

Business division	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Canada sector	48,608.36	48,608.36
USA sector	216,159.28	216,159.28
International sector	224,153.44	187,510.76
European sector	16,969.64	21,577.2

C7.9

(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Increased

C7.9a

(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

	Change in emissions	Direction of change	Emissions value (percentage)	Please explain calculation
--	---------------------	---------------------	------------------------------	----------------------------

	(metric tons CO2e)			
Change in renewable energy consumption				
Other emissions reduction activities				
Divestment				
Acquisitions	20,350.73	Increased	1.9	The acquisitions of four additional processing facilities during the fiscal year contributed to an increase of 1.9% of our global Scope 1 & 2 Carbon emissions. However, our scope 1 and 2 intensity figure decreased by 2.1 % .
Mergers				
Change in output	15,707.57	Increased	1.5	Change of product mix
Change in methodology				
Change in boundary	29,774.7	Increased	2.8	We added some of our distribution activities to align the scope with our targets.
Change in physical operating conditions				
Unidentified				
Other				

C7.9b

(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Location-based

C8. Energy

C8.1

(C8.1) What percentage of your total operational spend in the reporting year was on energy?

More than 0% but less than or equal to 5%

C8.2

(C8.2) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	No
Consumption of purchased or acquired steam	Yes
Consumption of purchased or acquired cooling	No
Generation of electricity, heat, steam, or cooling	No

C8.2a

(C8.2a) Report your organization's energy consumption totals (excluding feedstocks) in MWh.

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total (renewable and non-renewable) MWh
Consumption of fuel (excluding feedstock)	HHV (higher heating value)	79,809	2,829,125	2,908,934
Consumption of purchased or acquired electricity		0	1,073,217	1,073,217

Consumption of purchased or acquired steam		0	33,601	33,601
Total energy consumption		79,809	3,935,943	4,015,752

C8.2b

(C8.2b) Select the applications of your organization’s consumption of fuel.

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	No
Consumption of fuel for the generation of heat	Yes
Consumption of fuel for the generation of steam	Yes
Consumption of fuel for the generation of cooling	Yes
Consumption of fuel for co-generation or tri-generation	No

C8.2c

(C8.2c) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

Fuels (excluding feedstocks)

Biogas

Heating value

LHV (lower heating value)

Total fuel MWh consumed by the organization

7,354.75

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

0

MWh fuel consumed for self-generation of cooling

0

Emission factor

0

Unit

kg CO2 per million Btu

Emissions factor source

Argentina: GHG Protocol Emission Factors from Cross-Sector Tools 1.2 (April 2014) - Table 3 Australia: Australian Gov't National Greenhouse Accounts Factors Aug 2016- Table 3: Fuel combustion emission factors - liquid fuels and certain petroleum based products Canada: 2016 Climate Registry "Table 12.4 Canadian Default Factors for Calculating CH4 N2O Emissions from Combustion of Natural Gas, Petroleum Products, and Biomass" USA: EPA - EF for Greenhouse Gas Inventories (V.2 Nov 2015) - Stationary Combustion <http://www.epa.gov/climateleadership/documents/emission-factors.pdf>. United Kingdom "Department of Environment Food & Rural Affairs", <https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2019>

Comment

We use emission factors specific to each GHG as well as to each region where we operate. Please see emissions sources for details. The emissions from biogas were not calculated in the GHG inventory as they fall below the 1% materiality threshold

Fuels (excluding feedstocks)

Diesel

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

121,799.71

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

0

MWh fuel consumed for self-generation of cooling

0

Emission factor

0.3817

Unit

metric tons CO2e per MWh

Emissions factor source

Argentina: GHG Protocol Emission Factors from Cross-Sector Tools 1.2 (April 2014) - Table 3 Australia: Australian Gov't National Greenhouse Accounts Factors Aug 2016- Table 3: Fuel combustion emission factors - liquid fuels and certain petroleum based products Canada: 2016 Climate Registry "Table 12.4 Canadian Default Factors for Calculating CH4 N2O Emissions from Combustion of Natural Gas, Petroleum Products, and Biomass" USA: EPA - EF for Greenhouse Gas Inventories (V.2 Nov 2015) - Stationary Combustion <http://www.epa.gov/climateleadership/documents/emission-factors.pdf>. United Kingdom "Department of Environment Food & Rural Affairs", <https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2019>

Comment

We use emission factors specific to each GHG as well as to each region where we operate. A weighted average emission factor was calculated, please refer to the emissions sources for details of the emission factor in each region.

Fuels (excluding feedstocks)

Fuel Oil Number 2

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

57,827.88

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

0

MWh fuel consumed for self-generation of cooling

0

Emission factor

0.2811

Unit

metric tons CO2e per MWh

Emissions factor source

Argentina: GHG Protocol Emission Factors from Cross-Sector Tools 1.2 (April 2014) - Table 3 Australia: Australian Gov't National Greenhouse Accounts Factors Aug 2016- Table 3: Fuel combustion emission factors - liquid fuels and certain petroleum based products Canada: 2016 Climate Registry "Table 12.4 Canadian Default Factors for

Calculating CH4 N2O Emissions from Combustion of Natural Gas, Petroleum Products, and Biomass" USA: EPA - EF for Greenhouse Gas Inventories (V.2 Nov 2015) - Stationary Combustion <http://www.epa.gov/climateleadership/documents/emission-factors.pdf>. United Kingdom "Department of Environment Food & Rural Affairs", <https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2019>

Comment

We use emission factors specific to each GHG as well as to each region where we operate. A weighted average emission factor was calculated, please refer to the emissions sources for details of the emission factor in each region.

Fuels (excluding feedstocks)

Fuel Oil Number 5

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

12,506.36

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

0

MWh fuel consumed for self-generation of cooling

0

Emission factor

0.2723

Unit

metric tons CO2e per MWh

Emissions factor source

Argentina: GHG Protocol Emission Factors from Cross-Sector Tools 1.2 (April 2014) - Table 3 Australia: Australian Gov't National Greenhouse Accounts Factors Aug 2016- Table 3: Fuel combustion emission factors - liquid fuels and certain petroleum based products Canada: 2016 Climate Registry "Table 12.4 Canadian Default Factors for Calculating CH4 N2O Emissions from Combustion of Natural Gas, Petroleum Products, and Biomass" USA: EPA - EF for Greenhouse Gas Inventories (V.2 Nov 2015) - Stationary Combustion <http://www.epa.gov/climateleadership/documents/emission-factors.pdf>. United Kingdom "Department of Environment Food & Rural Affairs", <https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2019>

Comment

We use emission factors specific to each GHG as well as to each region where we operate. A weighted average emission factor was calculated, please refer to the emissions sources for details of the emission factor in each region.

Fuels (excluding feedstocks)

Propane Gas

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

2,076.09

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

0

MWh fuel consumed for self-generation of cooling

0

Emission factor

0.0091

Unit

metric tons CO₂e per MWh

Emissions factor source

Argentina: GHG Protocol Emission Factors from Cross-Sector Tools 1.2 (April 2014) - Table 3 Australia: Australian Gov't National Greenhouse Accounts Factors Aug 2016- Table 3: Fuel combustion emission factors - liquid fuels and certain petroleum based products Canada: 2016 Climate Registry "Table 12.4 Canadian Default Factors for Calculating CH₄ N₂O Emissions from Combustion of Natural Gas, Petroleum Products, and Biomass" USA: EPA - EF for Greenhouse Gas Inventories (V.2 Nov 2015) - Stationary Combustion <http://www.epa.gov/climateleadership/documents/emission-factors.pdf>. United Kingdom "Department of Environment Food & Rural Affairs", <https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2019>

Comment

We use emission factors specific to each GHG as well as to each region where we operate. A weighted average emission factor was calculated, please refer to the emissions sources for details of the emission factor in each region.

Fuels (excluding feedstocks)

Natural Gas

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

2,611,989.31

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

0

MWh fuel consumed for self-generation of cooling

0

Emission factor

0.1923

Unit

metric tons CO₂e per MWh

Emissions factor source

Argentina: GHG Protocol Emission Factors from Cross-Sector Tools 1.2 (April 2014) - Table 3 Australia: Australian Gov't National Greenhouse Accounts Factors Aug 2016- Table 3: Fuel combustion emission factors - liquid fuels and certain petroleum based products Canada: 2016 Climate Registry "Table 12.4 Canadian Default Factors for Calculating CH₄ N₂O Emissions from Combustion of Natural Gas, Petroleum Products, and Biomass" USA: EPA - EF for Greenhouse Gas Inventories (V.2 Nov 2015) - Stationary Combustion <http://www.epa.gov/climateleadership/documents/emission-factors.pdf>. United Kingdom "Department of Environment Food & Rural Affairs", <https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2019>

Comment

We use emission factors specific to each GHG as well as to each region where we operate. A weighted average emission factor was calculated, please refer to the emissions sources for details of the emission factor in each region.

Fuels (excluding feedstocks)

Kerosene

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

22,925.96

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

0

MWh fuel consumed for self-generation of cooling

0

Emission factor

0.0158

Unit

metric tons CO₂e per MWh

Emissions factor source

United Kingdom "Department of Environment Food & Rural Affairs",
<https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2019>

Comment

We use emission factors specific to each GHG as well as to each region where we operate. A weighted average emission factor was calculated, please refer to the emissions sources for details of the emission factor in each region.

Fuels (excluding feedstocks)

Wood Pellets

Heating value

LHV (lower heating value)

Total fuel MWh consumed by the organization

72,454.38

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

0

MWh fuel consumed for self-generation of cooling

0

Emission factor

0

Unit

Emissions factor source

Argentina: GHG Protocol Emission Factors from Cross-Sector Tools 1.2 (April 2014) - Table 3 Australia: Australian Gov't National Greenhouse Accounts Factors Aug 2016- Table 3: Fuel combustion emission factors - liquid fuels and certain petroleum based products Canada: 2016 Climate Registry "Table 12.4 Canadian Default Factors for Calculating CH4 N2O Emissions from Combustion of Natural Gas, Petroleum Products, and Biomass" USA: EPA - EF for Greenhouse Gas Inventories (V.2 Nov 2015) - Stationary Combustion <http://www.epa.gov/climateleadership/documents/emission-factors.pdf>. United Kingdom "Department of Environment Food & Rural Affairs", <https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2019>

Comment

We use emission factors specific to each GHG as well as to each region where we operate. The emissions from Wood Pellets were not calculated in the GHG inventory as they fall below the 1% materiality threshold. Please see emissions sources for details.

C8.2e

(C8.2e) Provide details on the electricity, heat, steam, and/or cooling amounts that were accounted for at a zero emission factor in the market-based Scope 2 figure reported in C6.3.

Sourcing method

Unbundled energy attribute certificates, Renewable Energy Certificates (RECs)

Low-carbon technology type

Low-carbon energy mix

Country/region of consumption of low-carbon electricity, heat, steam or cooling

Australia

MWh consumed accounted for at a zero emission factor

36,193

Comment

C9. Additional metrics

C9.1

(C9.1) Provide any additional climate-related metrics relevant to your business.

Description

Energy usage

Metric value

2.94

Metric numerator

GJ

Metric denominator (intensity metric only)

Ton of products

% change from previous year

6.82

Direction of change

Decreased

Please explain

C10. Verification

C10.1

(C10.1) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	Third-party verification or assurance process in place
Scope 3	No third-party verification or assurance

C10.1a

(C10.1a) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

 20 Saputo C06 GHG Assurance Statement CDP FY2020.pdf

Page/ section reference

Relevant standard

ISAE 3410

Proportion of reported emissions verified (%)

100

C10.1b

(C10.1b) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.

Scope 2 approach

Scope 2 location-based

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

 20 Saputo C06 GHG Assurance Statement CDP FY2020.pdf

Page/ section reference

Relevant standard

ISAE 3410

Proportion of reported emissions verified (%)

100

Scope 2 approach

Scope 2 market-based

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

 20 Saputo C06 GHG Assurance Statement CDP FY2020.pdf

Page/ section reference

Relevant standard

ISAE 3410

Proportion of reported emissions verified (%)

100

C10.2

(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?

No, we do not verify any other climate-related information reported in our CDP disclosure

C11. Carbon pricing

C11.1

(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?

Yes

C11.1a

(C11.1a) Select the carbon pricing regulation(s) which impacts your operations.

California CaT - ETS

EU ETS
Québec CaT - ETS

C11.1b

(C11.1b) Complete the following table for each of the emissions trading schemes you are regulated by.

California CaT

% of Scope 1 emissions covered by the ETS

100

% of Scope 2 emissions covered by the ETS

0

Period start date

January 1, 2019

Period end date

December 31, 2019

Allowances allocated

27,351

Allowances purchased

68,395

Verified Scope 1 emissions in metric tons CO₂e

95,746

Verified Scope 2 emissions in metric tons CO₂e

0

Details of ownership

Facilities we own and operate

Comment

EU ETS

% of Scope 1 emissions covered by the ETS

100

% of Scope 2 emissions covered by the ETS

0

Period start date

January 1, 2019

Period end date

December 31, 2019

Allowances allocated

9,626

Allowances purchased

0

Verified Scope 1 emissions in metric tons CO₂e

7,339

Verified Scope 2 emissions in metric tons CO₂e

0

Details of ownership

Facilities we own and operate

Comment

Québec CaT

% of Scope 1 emissions covered by the ETS

100

% of Scope 2 emissions covered by the ETS

0

Period start date

January 1, 2019

Period end date

December 31, 2019

Allowances allocated

9,640

Allowances purchased

2,855

Verified Scope 1 emissions in metric tons CO₂e

12,395

Verified Scope 2 emissions in metric tons CO₂e

0

Details of ownership

Facilities we own and operate

Comment

C11.1d

(C11.1d) What is your strategy for complying with the systems you are regulated by or anticipate being regulated by?

The Company stays apprised of new climate change legislation, has appropriate monitoring plans in place where required, and complies with the registration or reporting requirements currently applicable to some of its facilities. One of the Company's California facilities and another in the UK are currently subject to greenhouse gas emission reduction requirements, and have purchased all emission credits necessary to comply with the requirements. One of our facilities in Canada is participating to the Quebec CaT system on a voluntary basis.

C11.2

(C11.2) Has your organization originated or purchased any project-based carbon credits within the reporting period?

No

C11.3

(C11.3) Does your organization use an internal price on carbon?

No, and we do not currently anticipate doing so in the next two years

C12. Engagement

C12.1

(C12.1) Do you engage with your value chain on climate-related issues?

Yes, other partners in the value chain

C12.1d

(C12.1d) Give details of your climate-related engagement strategy with other partners in the value chain.

As a company we engage with stakeholders including our own employees, our industry groups, suppliers and expert consultants and our customers,

Examples include:

- As part of our Environmental Policy, we ensure our employees receive appropriate training including an Environmental Awareness course.
- We are part of one of our main customers' sustainability suppliers group where we share some of our best practice around sustainability.
- We have a representative on the Standing Committee on Environment of the International Dairy Federation.
- Our CEO is part of the Global Dairy Platform's Board of Directors where dairy sustainability issues of the industry are discussed.

- We work closely with energy suppliers and experts on best practices for low-carbon energy solutions.

C12.3

(C12.3) Do you engage in activities that could either directly or indirectly influence public policy on climate-related issues through any of the following?

Trade associations

C12.3b

(C12.3b) Are you on the board of any trade associations or do you provide funding beyond membership?

Yes

C12.3c

(C12.3c) Enter the details of those trade associations that are likely to take a position on climate change legislation.

Trade association

Our CEO is part of the Global Dairy Platform's Board of Directors where dairy sustainability issues of the industry are discussed.

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

Dairy is invested in sustainability, efficient food production and the reduction of environmental impacts.

How have you influenced, or are you attempting to influence their position?

No

C12.3f

(C12.3f) What processes do you have in place to ensure that all of your direct and indirect activities that influence policy are consistent with your overall climate change strategy?

Adherence to our publicly available Code of Ethics where practices related to lobbying are addressed.

C12.4

(C12.4) Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Publication

In voluntary communications

Status

Complete

Attach the document

 FY20_Saputo Promise Factsheet_final_EN.pdf

Page/Section reference

p.17 to 20

Content elements

Governance
Strategy
Risks & opportunities
Emissions figures
Emission targets
Other metrics

Comment

C15. Signoff

C-FI

(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

C15.1

(C15.1) Provide details for the person that has signed off (approved) your CDP climate change response.

	Job title	Corresponding job category
Row 1	President and Chief Operating Officer, Saputo Inc. and International Sector	Chief Operating Officer (COO)

SC. Supply chain module

SC0.0

(SC0.0) If you would like to do so, please provide a separate introduction to this module.

Saputo produces, markets, and distributes a wide array of dairy products of the utmost quality, including cheese, fluid milk, extended shelf-life milk and cream products, cultured products, and dairy ingredients. Saputo is one of the top ten dairy processors in the world, a leading cheese manufacturer and fluid milk and cream processor in Canada, the top dairy processor in Australia, and the second largest in Argentina. In the USA, Saputo ranks among the top three cheese producers and is one of the largest producers of extended shelf-life and cultured dairy products. In the United Kingdom, Saputo is the largest manufacturer of branded cheese and a top manufacturer of dairy spreads. Saputo products are sold in several countries under market-leading brands, as well as private label brands. Saputo Inc. is a publicly traded company and its shares are listed on the Toronto Stock Exchange under the symbol “SAP”.

Key figures (as of August 2020):

- Approximately 17,200 employees
- Approximately 11 billion litres of milk/ year processed into various dairy products
- 65 plants: Canada Sector (21) USA Sector (26) International Sector (13) Europe Sector (5)
- Products sold in over 50 countries

As a global leader in dairy processing, we recognize our responsibility to demonstrate good corporate citizenship in everything we do. The Saputo Promise is our commitment to live up to the values on which our business was founded in 1954. It consists of 7 Pillars that form the backbone of our approach to social, environmental and economic performance. Our 7 Pillars are: Food Quality and Safety, Our People, Business Ethics, Responsible Sourcing, Environment, Nutrition and Healthy Living, and Community.

SC0.1

(SC0.1) What is your company’s annual revenue for the stated reporting period?

	Annual Revenue
Row 1	14,943,500,000

SC0.2

(SC0.2) Do you have an ISIN for your company that you would be willing to share with CDP?

Yes

SC0.2a

(SC0.2a) Please use the table below to share your ISIN.

	ISIN country code (2 letters)	ISIN numeric identifier and single check digit (10 numbers overall)
Row 1	CA	8029121057

SC1.1

(SC1.1) Allocate your emissions to your customers listed below according to the goods or services you have sold them in this reporting period.

SC1.2

(SC1.2) Where published information has been used in completing SC1.1, please provide a reference(s).

SC1.3

(SC1.3) What are the challenges in allocating emissions to different customers, and what would help you to overcome these challenges?

Allocation challenges	Please explain what would help you overcome these challenges
Diversity of product lines makes accurately accounting for each product/product line cost ineffective	Diversity of product lines makes accurately accounting for each product/product line difficult.
Doing so would require we disclose business sensitive/proprietary information	N/A

SC1.4

(SC1.4) Do you plan to develop your capabilities to allocate emissions to your customers in the future?

No

SC1.4b

(SC1.4b) Explain why you do not plan to develop capabilities to allocate emissions to your customers.

Doing so would require we disclose business sensitive information

SC2.1

(SC2.1) Please propose any mutually beneficial climate-related projects you could collaborate on with specific CDP Supply Chain members.

SC2.2

(SC2.2) Have requests or initiatives by CDP Supply Chain members prompted your organization to take organizational-level emissions reduction initiatives?

No

SC3.1

(SC3.1) Do you want to enroll in the 2020-2021 CDP Action Exchange initiative?

No

SC3.2

(SC3.2) Is your company a participating supplier in CDP's 2019-2020 Action Exchange initiative?

No

SC4.1

(SC4.1) Are you providing product level data for your organization's goods or services?

No, I am not providing data

Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

	I am submitting to	Public or Non-Public Submission	Are you ready to submit the additional Supply Chain Questions?
I am submitting my response	Investors Customers	Public	Yes, submit Supply Chain Questions now

Please confirm below

I have read and accept the applicable Terms