

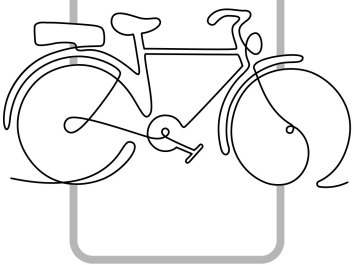
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JUNE 6, 2024

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ANNUAL  
INFORMATION  
FORM

FY2024



*Saputo*

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## Caution Regarding Forward-Looking Statements

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

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

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

Forward-looking statements are based on Management’s current estimates, expectations and assumptions regarding, among other things; the projected revenues and expenses; the economic, industry, competitive, and regulatory environments in which we operate or which could affect our activities; our ability to identify, attract, and retain qualified and diverse individuals; our ability to attract and retain customers and consumers; our environmental performance; the results of our sustainability efforts; the effectiveness of our environmental and sustainability initiatives; our operating costs; the pricing of our finished products on the various markets in which we carry on business; the successful execution of our Global Strategic Plan; our ability to deploy capital expenditure projects as planned; reliance on third parties; our ability to gain efficiencies and cost optimization from strategic initiatives; our ability to correctly predict, identify, and interpret changes in consumer preferences and demand, to offer new products to meet those changes, and to respond to competitive innovation; our ability to leverage our brand value; our ability to drive revenue growth in our key product categories or platforms or add products that are in faster-growing and more profitable categories; the successful execution of our M&A strategy; the market supply and demand levels for our products; our

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warehousing, logistics, and transportation costs; our effective income tax rate; the exchange rate of the Canadian dollar to the currencies of cheese and dairy ingredients. To set our financial performance targets, we have made assumptions regarding, among others: the absence of significant deterioration in macroeconomic conditions; our ability to mitigate inflationary cost pressure; the USA Market Factors (as defined in our Management's Discussion and Analysis dated June 6, 2024), ingredient markets, commodity prices, foreign exchange; labour market conditions and staffing levels in our facilities; the impact of price elasticity; our ability to increase the production capacity and productivity in our facilities; and the demand growth for our products. Our ability to achieve our environmental targets, commitments, and goals is further subject to, among others: our ability to access and implement all technology necessary to achieve our targets, commitments, and goals; the development and performance of technology, innovation and the future use and deployment of technology and associated expected future results; the accessibility of carbon and renewable energy instruments for which a market is still developing and which are subject to risk of invalidation or reversal; and environmental regulation. Our ability to achieve our 2025 Supply Chain Pledges is further subject to, among others, our ability to leverage our supplier relationships and our sustainability advocacy efforts.

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

Unless otherwise indicated by Saputo, forward-looking statements in this annual information form describe our estimates, expectations, and assumptions as of June 6, 2024, and, accordingly, are subject to change after that date. Except as required under applicable securities legislation, Saputo does not undertake to update or revise forward-looking statements, whether written or verbal, that may be made from time to time by itself or on our behalf, whether as a result of new information, future events, or otherwise. All forward-looking statements contained herein are expressly qualified by this cautionary statement.

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# Item 1 – The Company

## 1.1 Incorporation

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Saputo Inc. was constituted by a Certificate of Amalgamation issued pursuant to the provisions of the *Canada Business Corporations Act* on July 1, 1992, and its articles of amalgamation were amended on August 25, 1997, in order to, among other things, change the provisions attached to its authorized share capital. The articles of the Company were further amended on August 3, 2000, to, among other things, enable the directors to appoint additional directors between shareholders' meetings and on August 1, 2017, to delete the preferred shares from the share capital of the Company. Our head and registered office and principal place of business is located at 1000 de la Gauchetière Street West, Suite 2900, Montréal, Québec, Canada, H3B 4W5.

In this Annual Information Form, unless the context otherwise requires or indicates, the terms “**we**”, “**our**”, “**Saputo**” and “**Company**” mean Saputo Inc. together with its subsidiaries and other entities under its direct or indirect control (collectively the “**Subsidiaries**”) as well as their respective predecessors, or any one or more of them.

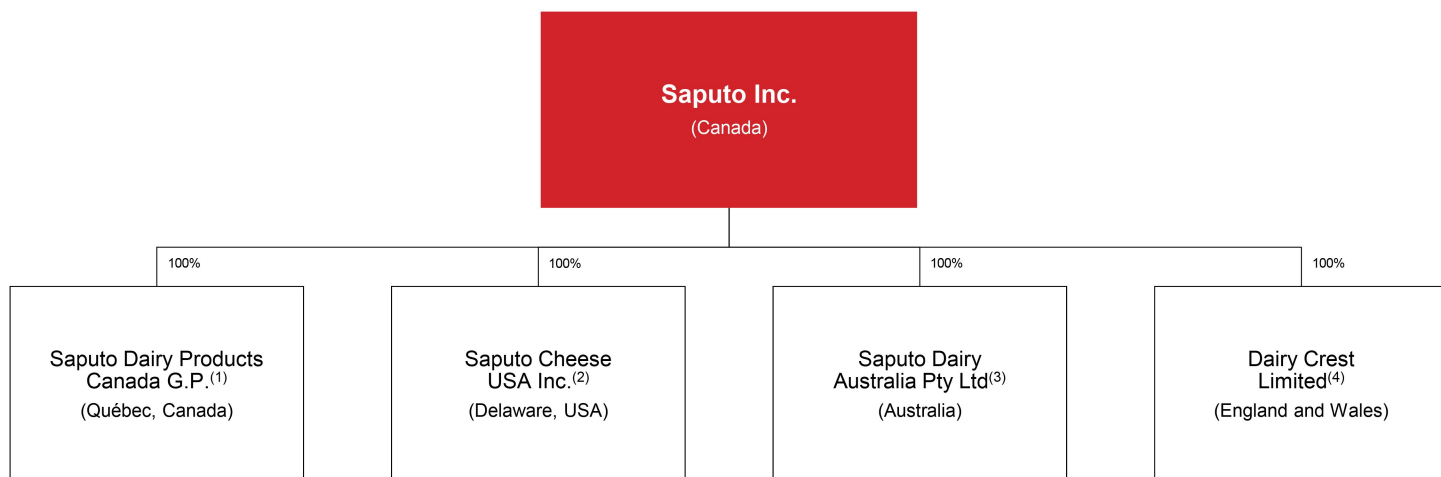
In this Annual Information Form, all references to “\$” or “CDN dollars” are to Canadian currency, all references to “US\$” are to United States (“USA”) currency, all references to “£” are to United Kingdom (“UK”) currency, and all references to “AU\$” are to Australian currency. References to fiscal years refer to the 12-month periods ending March 31 of the applicable year.

The information in this Annual Information Form is being presented as of May 31, 2024, unless otherwise indicated and except for financial information, which is given as at and for the fiscal year ended March 31, 2024, and information relating to employees, which is given as at March 31, 2024. Publications and information on our website are not part of, and are not incorporated by reference in, this Annual Information Form.

This Annual Information Form refers to certain trademarks, trade names, and logos, which are protected under applicable intellectual property laws and are the property of the Company. In addition, certain of Saputo's names, logos, and website names and addresses are owned or licensed by Saputo, as applicable. Solely for convenience, our trademarks, trade names, and logos referred to in this Annual Information Form may appear without the ® or ™ symbols, but such references are not intended to indicate, in any way, that we will not assert our rights to these trademarks, trade names, and logos to the fullest extent under applicable law.

## 1.2 Corporate Structure

The following organizational chart presents the corporate structure of Saputo. For simplicity, this chart omits non-material wholly-owned Subsidiaries.



- (1) Production, marketing, and distribution of dairy products, namely a variety of everyday and specialty/fine cheeses, fluid milk, value-added milk, cream, cultured products, butter, ice cream mixes, dairy ingredients (for domestic and export), and other dairy and non-dairy products.
- (2) Production, marketing, and distribution of a wide array of dairy products, namely a variety of everyday and specialty cheeses, extended shelf-life and aseptic dairy and non-dairy fluid products, cultured products, as well as dairy ingredients (for domestic and export).
- (3) Production, marketing, and distribution of dairy products, including everyday and specialty cheeses, butter and butter blends, milk, cream, dairy beverages, and dairy ingredients (for domestic and export) and nutritional products.
- (4) Production, marketing, and distribution of dairy products and ingredients (for domestic and export), namely specialty cheeses, butter and dairy spreads, oils, non-dairy spreads and cheeses, and demineralized whey powder and galacto-oligosaccharides (GOS).

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## Item 2 – General Development of the Business

### 2.1 Overview

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We are one of the top ten dairy processors in the world, producing, marketing, and distributing 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. We are a leading cheese manufacturer and fluid milk and cream processor in Canada, a leading dairy processor in Australia, and the top dairy processor in Argentina. In the USA, we rank among the top three cheese producers and are one of the top producers of extended shelf-life and cultured dairy products. In the UK, we are the leading manufacturer of branded cheese and dairy spreads. In addition to our dairy portfolio, we produce, market, and distribute a range of dairy alternative products. Our products are sold in several countries under market-leading brands, as well as private label brands.

Saputo Inc. is a publicly traded company with shares (the “**Common Shares**”) listed on the Toronto Stock Exchange (“**TSX**”) under the symbol “SAP”.

Our daily actions are guided by the Saputo Promise, our commitment to live up to the values on which our business was founded. It consists of seven Pillars that form the backbone of our approach to social, environmental, and economic performance. Based on our values and our stakeholders' concerns, our Pillars allow us to focus our efforts where they matter most. For more information on the Saputo Promise, please visit our website at [www.saputo.com](http://www.saputo.com).

During fiscal 2024, we operated our business through four sectors, the Canada Sector, the USA Sector, the International Sector, and the Europe Sector, which represented, respectively, 29%, 45%, 20%, and 6% of our total revenues.

We currently operate 65 manufacturing facilities, process approximately 11 billion litres of milk per year, and, as at March 31, 2024, we employed approximately 19,600 employees.

The global dairy industry and food processing industry are highly competitive, and we compete on a national and international level with national and multinational competitors (see sections 5.2.5, 5.3.5, 5.4.5 and 5.5.5 below for information on competition in each of the Company's sectors). We will continue with our ongoing efforts to strengthen our position as a high-quality, low-cost processor with a relentless focus on productivity and efficiency.

### 2.2 History (Including Acquisitions)

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#### 2.2.1 HISTORY

Mr. Emanuele (Lino) Saputo founded the Company with his parents in 1954, producing quality cheese for the Italian community of Montréal.

Between 1970 and 1997, we acquired several production operations and food distributors and developed our national distribution network, positioning ourselves in Canada as a leading producer of mozzarella, and entered the USA dairy market by acquiring two cheese plants.

On October 15, 1997, we completed our initial public offering.

In 2003, Mr. Emanuele (Lino) Saputo announced that his son, Mr. Lino A. Saputo, would succeed him as President and CEO of the Company. Since the official appointment of Mr. Lino A. Saputo as President and CEO of the Company in March 2004, the Company has continued expanding throughout several sizeable acquisitions notably in the USA, Canada, Australia, and the UK, making it one of the top ten dairy processors in the world. Also, Mr. Lino A. Saputo has served as Chair of the Board since August 2017, having been previously appointed Vice Chair in 2011. On May 14, 2024, the Company announced that, effective August 9, 2024, Mr. Lino A. Saputo will transition to a role of Executive Chair of the Board and Mr. Carl Colizza will succeed to Mr. Saputo as President and CEO of the Company.

## 2.2.2 HISTORICAL ACQUISITIONS COMPLETED BY SAPUTO

The following chart presents the milestone acquisitions we completed since the initial public offering. These acquisitions, which were in line with our commitment to growth, contributed to making us one of the top ten dairy processors in the world.

 <p><b>1997</b> Stella (USA)</p>	 <p><b>2001</b> Dairyworld Foods (Canada)</p>	 <p><b>2003</b> Molfino Hermanos (Argentina)</p>	 <p><b>2005</b> Fromage Côté Kingsey (Canada)</p>
<p><b>INDUSTRIAL CHEESE BUSINESS</b></p> <p><b>2007</b> Land'O Lakes (USA)*</p>	 <p><b>2008</b> Alto Dairy Cooperative (USA)</p>	 <p><b>2008</b> Neilson (Canada)</p>	 <p><b>2011</b> DCI (USA)</p>
 <p><b>2013</b> Morningstar (USA)</p>	 <p><b>2014</b> Warrnambool Cheese and Butter (Australia)</p>	 <p><b>2018</b> Murray Goulburn (Australia)</p>	 <p><b>2019</b> Dairy Crest (UK)</p>



The following table presents the acquisitions we completed in the last three fiscal years:

Acquisition Dates	Acquired Businesses	Acquired Activities	Countries of Operations	Acquisition Price (Approximation) <sup>(1)</sup>
May 25, 2021	Bute Island Foods Limited	Manufacturing, marketing, and distribution of a variety of dairy alternative cheese products.	UK	\$148 million
May 29, 2021	Reedsburg facility of Wisconsin Specialty Protein, LLC	Manufacturing of value-added ingredients, such as goat whey, organic lactose, and other dairy powders.	USA	\$37 million
July 30, 2021	Activities of Wensleydale Dairy Products Limited	Manufacturing, blending, marketing, and distribution of a variety of specialty and regional cheeses.	UK	\$38 million
August 31, 2021	Carolina Aseptic and Carolina Dairy, businesses formerly operated by AmeriQual Group Holdings, LLC	Manufacturing, developing, packaging, and distribution of aseptic shelf-stable food products and beverages, and refrigerated yogurt in spouted pouches.	USA	\$148 million

(1) Canadian dollar equivalent of the acquisition price, taking into account the exchange rate on the date of completion of the acquisition.

## 2.2.3 DEVELOPMENTS IN THE LAST THREE FISCAL YEARS

On June 3, 2021, we unveiled our Global Strategic Plan to accelerate organic growth. Designed to drive growth and efficiency across the organization, this Plan aims to reinforce our position as one of the world's leading dairy processors, and is complementary to our growth through acquisitions strategy and our commitment to the Saputo Promise.

During the last three fiscal years, we announced several major capital investments and consolidation initiatives intended to optimize and enhance operations. These initiatives include the following:

- in August 2021, we opened a state-of-the-art fluid milk and dairy alternative beverage facility in Port Coquitlam, British Columbia, Canada;
- on February 8, 2022, we announced a \$169 million investment towards the modernization and expansion of some of our cheese manufacturing facilities in Wisconsin and California as well as consolidation initiatives in the USA Sector. In the International Sector, we announced the streamlining of operations in two of our manufacturing facilities in Australia;
- on June 9, 2022, we announced our plans in the UK to outsource our Nuneaton facility's warehouse and distribution activities to a long-term partner as well as the closure of our Frome facility and the centralization of cheese packing at Nuneaton over the next two years;
- on August 3, 2022, we announced a \$45 million investment towards the conversion of our Reedsburg, Wisconsin facility from a mozzarella cheese manufacturing facility to a goat cheese manufacturing plant. Complementing these network optimization activities, we announced the closure of our existing goat cheese manufacturing facility in Belmont, Wisconsin;
- on November 8, 2022, we announced the closure of our Maffra, Victoria, facility and the streamlining of our activities at facilities located in Leongatha, Victoria, and Mil-Lel, South Australia;
- on February 2, 2023, we announced the construction of a new state-of-the-art cut-and-wrap facility in Franklin, Wisconsin, the expansion of string cheese operations on the West Coast of the USA, as well as the closure of our Big Stone, South Dakota, Green Bay, Wisconsin, and South Gate, California, facilities;
- on April 2, 2023, we announced the sale of our Laverton North, Victoria, and Erskine Park, New South Wales facilities;
- on November 2, 2023, following the start-up of our converted state-of-the-art goat cheese manufacturing facility in Reedsburg, Wisconsin, we announced the permanent closure of our Lancaster, Wisconsin, facility. The Company intends to transition production from its Lancaster facility to Reedsburg, along with that of its facility in Belmont, Wisconsin, the closure of which was previously announced; and
- on November 8, 2023, we announced the strategic review of our King Island facility in Tasmania. With the assistance of external advisors, we are considering a range of strategic, commercial, and financial alternatives, including a potential sale to a third party.

## Item 3 – Industry Overview

### 3.1 Milk Production and Trade Regulatory Overview

The laws and regulations applicable to milk production, pricing, and international trade vary from one country to another. The following table provides an overview of the regulatory environment in the countries where we manufacture products.

	Milk Production	Milk Pricing	International Trade
Canada	<ul style="list-style-type: none"> <li>National and provincial milk production quota system in place</li> <li>Quotas are set to match domestic milk production with domestic requirements</li> <li>Provincial milk marketing boards allocate milk production quotas to local milk producers</li> </ul>	<ul style="list-style-type: none"> <li>Milk prices set by provincial milk marketing boards using a federally announced butter support price and based on factors including milk cost of production studies, stakeholder input, processors' costs of production, and Canada's consumer price index</li> </ul>	<ul style="list-style-type: none"> <li>Most Canadian dairy product imports are limited to tariff rate quota ("TRQ") quantities provided for under various trade agreements with high tariffs imposed on imported dairy products that exceed these TRQ quantities</li> <li>Canada's dairy product exports, provided they are manufactured with milk purchased at Canadian domestic milk prices, are unlimited with the exception of exports of skim milk powder, certain milk protein concentrates, and infant formula which are subject to an export charge for quantities exceeding those set out in the Canada-USA-Mexico Agreement ("CUSMA")</li> </ul>
USA	<ul style="list-style-type: none"> <li>Dairy processors can negotiate supply agreements with producers and other sellers</li> <li>Dairy processors are not limited in terms of the volume of milk they receive</li> </ul>	<ul style="list-style-type: none"> <li>Under federal jurisdiction, minimum milk prices are set by the United States Department of Agriculture ("USDA"), according to survey data related to sales prices and volumes of dairy commodities (cheese, butter, dry whey, and non-fat dry milk)</li> </ul>	<ul style="list-style-type: none"> <li>Similar to Canada, the USA applies high tariffs on imports of dairy products that exceed licenses</li> <li>No export restrictions on dairy products destined to international markets</li> </ul>
Australia	<ul style="list-style-type: none"> <li>No limitations or restrictions on the volume of milk that is produced</li> <li>Dairy processors are not limited in terms of the volume of milk they receive</li> </ul>	<ul style="list-style-type: none"> <li>Milk prices negotiated between producers and processors</li> </ul>	<ul style="list-style-type: none"> <li>No significant import or export restrictions on dairy products</li> <li>Imports may be subject to duties, import permits, quota controls, or tariffs depending on the type of product and the reciprocal trade agreements in place</li> </ul>
Argentina	<ul style="list-style-type: none"> <li>No limitations or restrictions on the volume of milk that is produced</li> <li>Dairy processors are not limited in terms of the volume of milk they receive</li> </ul>	<ul style="list-style-type: none"> <li>Milk prices negotiated between producers and processors</li> <li>Milk prices have a strong correlation with prices on world markets</li> </ul>	<ul style="list-style-type: none"> <li>No direct import restrictions on foreign manufactured dairy products, although import quotas are in place for all kinds of imported goods</li> <li>Imports may be subject to duties, quota controls, or tariffs depending on the type of product and the reciprocal trade agreements in place, and depending on the quota of importation, a special condition payment could be imposed</li> <li>Exports of dairy products are not restricted and the export tax previously imposed is suspended until June 30<sup>th</sup>, 2024</li> </ul>
UK	<ul style="list-style-type: none"> <li>No limitations or restrictions on the volume of milk that is produced</li> <li>Dairy processors are not limited in terms of the volume of milk they receive</li> </ul>	<ul style="list-style-type: none"> <li>Milk prices negotiated between producers and processors</li> <li>Milk prices have a strong correlation with prices on world markets</li> </ul>	<ul style="list-style-type: none"> <li>No import restrictions on foreign manufactured dairy products</li> <li>Imports may be subject to duties, quota controls, or tariffs depending on the type of product and the reciprocal trade agreements in place</li> <li>No export restrictions on dairy products destined to international markets</li> </ul>

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## 3.2 Milk Supply

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In Canada, the dairy industry operates under a national milk supply management system. The objective of this system is to ensure that the overall supply of dairy products to the Canadian market is sufficient to meet consumer demand. This objective is met by regulating domestic milk production used for manufacturing dairy products in Canada.

Canadian milk production is allocated to processors based on provincial allocation rules for fluid milk products (i.e., milk used to manufacture fluid milk products, such as table milk or cream intended for consumption in fluid forms) and industrial milk products (i.e., milk used to manufacture all other dairy products, known as industrial dairy products, such as cheese, butter, ice cream, and yogurt). Fluid milk is available to processors “on demand”, such that, subject to available supply, processors are free to order as much milk as they need to meet their fluid milk product requirements. The volume of industrial milk available for processing industrial dairy products is generally restricted in its growth. The price paid by processors for milk in Canada is regulated and is based on a utilization class pricing structure.

In the USA, milk pricing is regulated by federal milk marketing orders and/or state-level milk programs.

In most cases, milk marketed to processors within the USA is priced based on a class pricing structure. Under federal jurisdiction, minimum milk prices are set monthly by milk marketing orders based on dairy commodity markets and product price formulas. Price data used in the federal formulas takes into account the wholesale prices of cheddar cheese, butter, dry whey, and non-fat dry milk powder. This data is collected through surveys conducted by the USDA.

USA dairy processing plants are not limited in terms of the quantity of milk they can receive and are free to negotiate their milk supply with whomever they choose. Independent processors usually negotiate with local cooperatives, or they may procure milk directly from individual farms. Processors are charged a price that reflects the current month’s milk class price plus a negotiated handling charge.

In Australia, Argentina, and the UK, milk prices are negotiated between processors and producers. There are no limitations or restrictions as to the volume of milk that is produced, nor is milk sold to processors within Australia, Argentina, and the UK priced or classified according to its use. Moreover, processors are not limited regarding the volume of milk that they can purchase and are free to negotiate milk supply agreements with whomever they choose. The price of milk in Argentina and in the UK has a strong correlation to the world price of traded dairy products. However, more recently, we have seen an increasing disconnect in the relation between international cheese and dairy ingredient prices and farm gate milk prices in a context of declining milk production in Australia.

## 3.3 Food and Beverage Production and Distribution Laws and Regulations

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Our operations are subject to laws and regulations at various government levels, including federal, state/provincial, and municipal. These laws and regulations relate to the whole spectrum of food and beverage production and distribution, starting from reception of raw materials and ingredients in our production facilities to the production of finished products, and cover matters such as product safety, quality, processing, content, composition, labelling, packaging, and storage. They also cover matters relating to product logistics and distribution in respect of products manufactured by us and products manufactured by third parties that we handle. We adhere to all regulatory requirements for food quality and nutrition labeling. Our facilities worldwide are audited internally and by third parties several times per year to assess compliance with local laws and regulations, as well as with international industry standards. We review our procedures regularly to ensure they meet or exceed the latest legal requirements and industry best practices.

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## 3.4 International Trade

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### 3.4.1 IMPORTS

Under the World Trade Organization (“WTO”) Agreement on Agriculture, as well as other international trade agreements, Canada and the USA establish yearly access commitments for the import of dairy products subject to low or zero tariff rates, while imports over yearly access commitments are subject to prohibitively high tariff rates. In Canada, Global Affairs Canada (“GAC”) administers a system of TRQs for imports of supply-managed products subject to low or zero tariff rates.

Australia, Argentina, and the UK are not subject to similar import restrictions on foreign manufactured dairy products, although dairy products may be subject to import duties, import quota controls, or tariffs in these countries depending on the type of product and on the reciprocal trade agreements that may be in place.

### 3.4.2 COMPREHENSIVE ECONOMIC TRADE AGREEMENT

In October 2016, the Canadian Government signed the final text of the Comprehensive Economic Trade Agreement (“CETA”) with the European Union (“EU”), which subsequently entered into force provisionally on September 21, 2017. Given the combined market access provided under WTO and CETA, just under 32,000 tonnes of EU cheeses can be imported into Canada under the TRQ system annually.

### 3.4.3 UK TRADE AGREEMENTS

The UK officially left the EU Single Market and Customs Union on January 31, 2020, and on December 24, 2020, agreed to the UK-EU Trade and Cooperation Agreement (“UK-EU TCA”) which came into effect on January 1, 2021. The UK-EU TCA, together with the Trade Continuity Agreements with other countries, ensures that the UK can continue to trade with its existing international partners largely free of tariff and quota.

On May 31, 2023, the free-trade agreements signed between the UK and Australia as well as the one between the UK and New Zealand came into force, therefore removing most tariffs on trade between the UK and both Australia and New Zealand.

On December 9, 2020, Canada and the UK signed the Canada-United Kingdom Trade Continuity Agreement (“TCA”), which entered into force on April 1, 2021. As a result of a side letter to this Agreement, cheese originating in the UK continued to be eligible to be imported into Canada under Canada’s WTO cheese TRQs reserved for EU WTO Members until December 31, 2023. Since January 1, 2024, cheese originating in the UK is no longer eligible to be imported into Canada under its WTO cheese TRQs reserved for EU WTO Members. The UK and Canada had launched in March 2022 negotiations on a new free trade agreement, but negotiations were suspended on January 25, 2024. As a result, cheese originating in the UK is only eligible to be imported under Canada’s WTO cheese TRQs reserved for non-EU WTO Members.

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### **3.4.4 COMPREHENSIVE AND PROGRESSIVE AGREEMENT FOR TRANS-PACIFIC PARTNERSHIP**

On March 8, 2018, Canada, Australia, and nine other countries signed the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (“CPTPP”). The CPTPP is now in force in Canada, Australia, Brunei, Japan, Mexico, New Zealand, Singapore, Vietnam, Peru, Malaysia, and Chile. In July 2023, the UK formally agreed to join the CPTPP with effect in the second half of 2024 pending the necessary domestic legislative processes.

The CPTPP grants access to the Canadian market for a wide range of dairy products originating from other signatory countries that have ratified the CPTPP via TRQs, a significant portion of which continue to be allocated to dairy processors. In Australia, cheese products imported from other signatory countries that have ratified the CPTPP are not subject to import quota control.

The CPTPP provides for export opportunities for dairy products originating from Australia, the UK, and Canada to other signatory countries that have ratified the CPTPP.

In June 2022, consultations under Chapter 28 (dispute settlement) of the CPTPP regarding Canada’s administration of its dairy TRQs were held at the request of New Zealand. In its request, New Zealand claimed that Canada’s dairy TRQ allocation measures appear to be inconsistent with several provisions of the CPTPP. Consultations did not resolve matters. New Zealand therefore requested the establishment of a panel to hear and decide the dispute. On September 6, 2023, the panel released its final report and determined that Canada was in breach of its commitments under the CPTPP. The panel ruled that Canada must not limit access to an allocation to processors and must not limit the opportunity for otherwise eligible applicants to use the TRQs fully. As a result, Canada has implemented several changes to its CPTPP dairy TRQs allocation and administration policies to ensure compliance with the panel’s ruling.

### **3.4.5 CANADA-USA-MEXICO AGREEMENT**

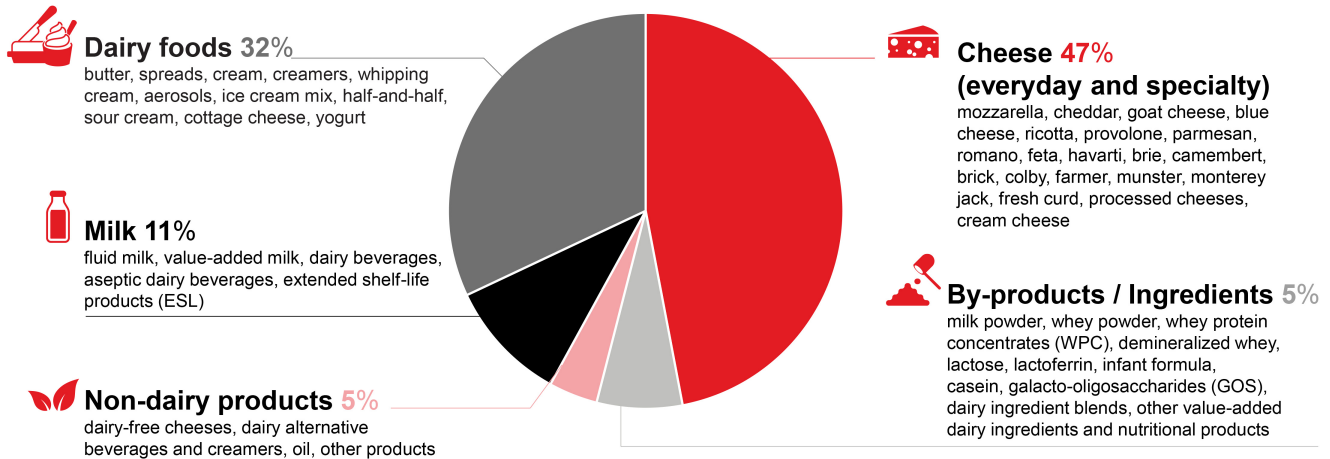
The CUSMA entered into force on July 1, 2020. The CUSMA replaced the North American Free Trade Agreement and provides additional access to the Canadian market under TRQs for a wide range of dairy products and requires the Canadian government to adhere to certain pricing and export provisions for dairy products.

# Item 4 – Our Business

## 4.1 Overview

### Our Product Portfolio

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



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

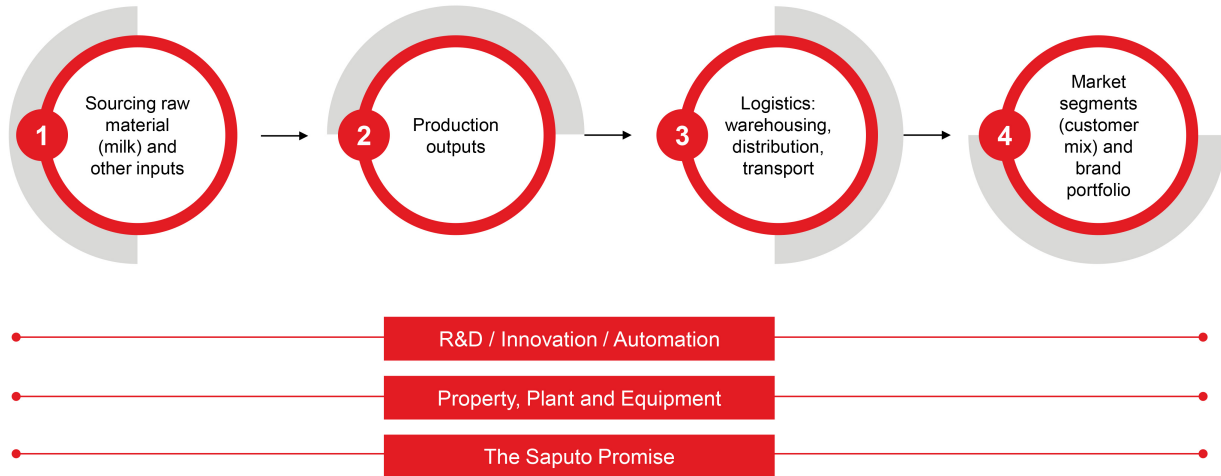
### Our Brand Portfolio

Our products are sold under our own brands and customer brand names (private label)



Trademarks used under licence: Bailey's, Heluva Good, International Delight, Scotsburn, and Cracker Barrel.

# Our Business Model

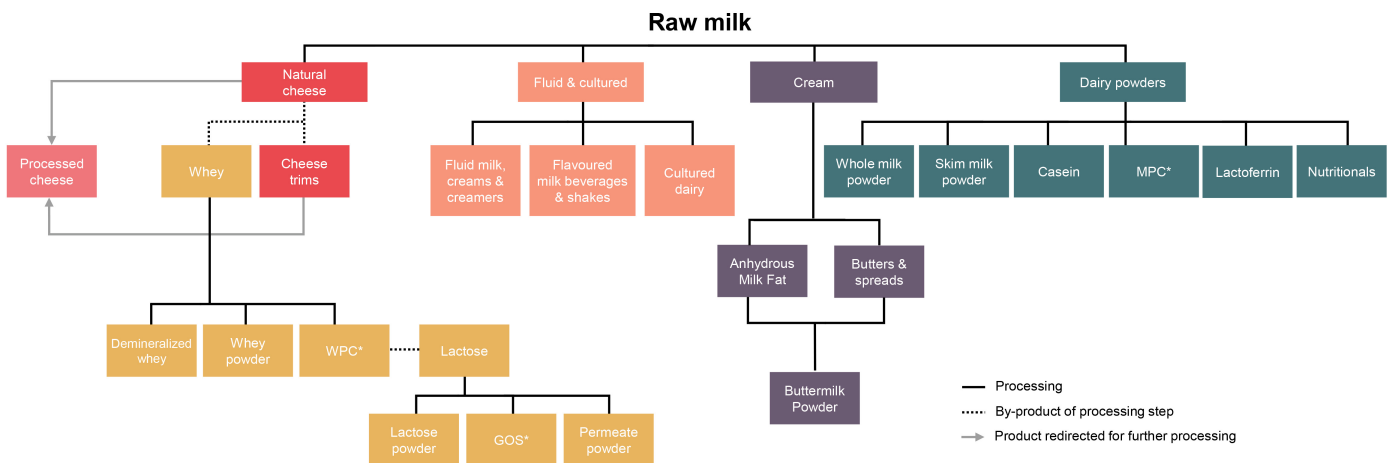


## From Inputs to Outputs: Making Every Drop Count



We pledge to reduce our energy use, reuse water, and minimize waste in our operations

Extracting value at every step of the production process



\* Whey Protein Concentrate (WPC), Galacto-oligosaccharides (GOS) and Milk Protein Concentrate (MPC)

## 4.2 Market Segments

The following table presents our total revenues by market segment over the last two fiscal years:

### Total Company Revenues – Market Segments

(in millions of \$)	Year ended March 31, 2024		Year ended March 31, 2023	
	Revenues (\$)	% of Total Revenues	Revenues (\$)	% of Total Revenues
Retail	8,725	50	8,638	48
Foodservice	5,712	33	5,831	33
Industrial	2,905	17	3,374	19
Total	17,342	100	17,843	100

**Retail:** Sales are made to supermarket chains, mass-merchandisers, convenience stores, independent retailers, warehouse clubs, and specialty cheese boutiques under Saputo-owned or customer brand names. Our products are also sold directly to consumers through our e-commerce channels.

**Foodservice:** Sales are made to broadline distributors, restaurants, hotels, and institutions under Saputo-owned or customer brand names.

**Industrial:** Sales are made to manufacturers who use our dairy ingredients, cheeses, and other dairy products for further processing. Our products are used in the preparation of food items, nutritional products for all stages of life, and for various other applications.



## Item 5 – Our Sectors

### 5.1 Overview

During fiscal 2024, we operated our business through four sectors and five divisions.



The following table presents the relative importance of our sectors over the last two fiscal years:

#### Revenues by Sector

(in millions of \$)	Year ended March 31, 2024		Year ended March 31, 2023	
	Revenues (\$)	% of Total Revenues	Revenues (\$)	% of Total Revenues
Canada Sector	4,922	29	4,696	26
USA Sector	7,810	45	8,339	47
International Sector	3,518	20	3,785	21
Europe Sector	1,092	6	1,023	6
Total	17,342	100	17,843	100

### 5.2 Canada Sector

The Canada Sector consists of the Dairy Division (Canada). In fiscal 2024, the Canada Sector represented 29% of our total revenues.

#### 5.2.1 PRODUCTS

We produce, market, and distribute domestically a variety of cheeses, including everyday cheeses, such as mozzarella and cheddar, specialty cheeses, such as ricotta, provolone, parmesan, goat cheese, feta, havarti, and soft cheeses, and processed cheeses. Our cheese products are sold under various brand names, such as *Saputo*, *Armstrong*, *Alexis de Portneuf*, *Bari*, *Cogruet*, *DuVillage 1860*, *Kingsey*, *Shepherd Gourmet Dairy*, *Stella*, and *Woolwich Goat Dairy*, as well as under customer brand names (private label). Through our cheese distribution network, we distribute fine imported cheeses to specialty stores as well as certain dairy and non-dairy products manufactured by third parties. Furthermore, we produce, market, and distribute, for domestic and for the international market, a number of dairy ingredients, including milk powder, whey powder, lactose, and whey protein concentrates.

We also produce, market, and distribute in Canada fluid milk, cream, yogurt, sour cream, cottage cheese, as well as ice cream mixes. Fluid milk is sold under the *Dairyland* brand in Western Canada, the *Neilson* brand in Ontario, the *Nutrilait* brand in Québec, and the *Baxter* and *Scotsburn*\* brands in Atlantic Canada. Value-added milk is marketed under the *Trutaste* brand, as well as under the brand names *Milk2Go/Lait's Go*, *Joyya*, *Neilson* and *Dairyland*. In addition, within our fluid milk operations, we also produce, market, and distribute certain other dairy and non-dairy products. Other dairy products include butter under the *Dairyland*, *Neilson*, *Saputo*, *Baxter*, and *Scotsburn*\* brand names, flavoured cream under the *Baileys*\* brand, and dips under the *Heluva Good*\* brand.

\* Trademark used under license.

## 5.2.2 PRODUCTION

### Raw Materials

In Canada, milk represents the primary cost that we incur in the manufacturing of dairy products. Due to the regulated nature of the Canadian dairy industry, we can only source our milk through the milk marketing boards in each province. We source our other raw materials from various suppliers.

### Facilities

We operate 18 manufacturing facilities located in Canada. We own all of our facilities, with the exception of one.

## 5.2.3 MARKET SEGMENTS

We are a leading cheese manufacturer and fluid milk and cream processor in Canada. We also distribute fine imported cheeses to specialty stores and sell various dairy and non-dairy products manufactured by third parties that are complementary to the sale of the products we manufacture.

### Canada Sector – Revenues per Market Segment

(in millions of \$)	Year ended March 31, 2024		Year ended March 31, 2023	
	Revenues (\$)	% of Total Revenues	Revenues (\$)	% of Total Revenues
Retail	2,791	57	2,650	56
Foodservice	1,767	36	1,677	36
Industrial	364	7	369	8
Total	<b>4,922</b>	<b>100</b>	<b>4,696</b>	<b>100</b>

## 5.2.4 DISTRIBUTION

Domestic product distribution is realized through direct shipments to customers, as well as to national and regional third-party distributors. We have developed a nationwide distribution network for our dairy operations, comprised of 19 distribution centres and warehouses and approximately 760 distribution routes across Canada. We also provide distribution services for dairy and non-dairy products manufactured by third parties.

## 5.2.5 COMPETITION

We compete mainly with multinational and national dairy processors. We have established ourselves as a leading cheese manufacturer and fluid milk and cream processor in Canada.

## 5.2.6 EMPLOYEE RELATIONS

As at March 31, 2024, the Canada Sector had approximately 6,000 employees, all located in Canada. Approximately 30% of the Canada Sector's workforce is unionized.

We do not currently foresee any labour unrest in connection with the renewal of collective agreements expiring in fiscal 2025. All agreements that expired in fiscal 2024 were, or are expected to be, renewed upon satisfactory terms or continue to govern during ongoing negotiations, which are expected to result in satisfactory renewals.

## 5.3 USA Sector

The USA Sector consists of the Dairy Division (USA). In fiscal 2024, revenues from the USA Sector represented 45% of our total revenues.

### 5.3.1 PRODUCTS

We produce, market, and distribute a wide array of products including cheese, extended shelf-life and aseptic dairy and non-dairy products, cultured products, and dairy ingredients sold under our market-leading brands and private label brands.

We are among the top mozzarella, string, blue, and goat cheese producers in the USA. Our cheese portfolio also includes a broad line of other everyday and specialty cheeses, including provolone, snacking, ricotta, parmesan, feta, cheddar, and romano, as well as dairy alternative cheeses. We sell our cheeses under a variety of brand names, including *Black Creek*, *Frigo*, *Frigo Cheese Heads*, *Great Midwest*, *Montchevre*, *Saputo Gold*, *Stella*, and *Treasure Cave*, as well as under customer brand names. In addition to domestic cheese production and conversion, we hold an important portfolio of import licenses to sell and distribute a broad range of specialty cheeses that are manufactured abroad.

We are also one of the largest producers of extended shelf-life and cultured dairy products in the USA. Our extended shelf-life and cultured dairy products portfolio includes ice cream mixes, half and half, whipping cream, value-added beverages, dairy and non-dairy creamers, coffee beverages, aerosol whipped toppings, almond milk, oat milk, aseptic food products and beverages, sour cream, and cottage cheese. We produce, market, and distribute these products in the USA under customer brand names, as well as under our own brands, such as *DairyStar* and *Friendship Dairies*.

Additionally, we produce, market, and distribute dairy ingredients, including whey powder, whey protein concentrates, lactose, goat whey, and dairy ingredient blends, in both the domestic and international markets.

### 5.3.2 PRODUCTION

#### Raw Materials

We source our milk and cream primarily from cooperatives, including through short and long-term supply agreements, as well as directly from farmers and other dairy processors. Milk and cream represent the primary costs that we incur in manufacturing our dairy products. We source our other raw materials from various suppliers.

#### Facilities

As at March 31, 2024, we operated 29 manufacturing facilities located across the USA, including the facilities in Belmont, Wisconsin, Lancaster, Wisconsin, Green Bay, Wisconsin, and South Gate, California, for which closure was previously announced. We own all of our facilities, with the exception of two facilities. Our new, state-of-the-art cut-and-wrap Franklin, Wisconsin, facility, is now running. We also have commercial culinary innovation facilities in the USA, the Saputo Product Performance Center in Wisconsin and the Innovation Center in Texas, which allow us to replicate real foodservice kitchen scenarios to understand how each product will best benefit our clients' offering and performance demands.

### 5.3.3 MARKET SEGMENTS

We are among the top three cheese producers and among the largest processors of extended shelf-life and cultured dairy products in the USA. We compete in the USA by selling our own branded products and products under customer brand names.

#### USA Sector – Revenues per Market Segment

(in millions of \$)	Year ended March 31, 2024		Year ended March 31, 2023	
	Revenues (\$)	% of Total Revenues	Revenues (\$)	% of Total Revenues
Retail	3,608	46	3,735	45
Foodservice	3,491	45	3,728	45
Industrial	711	9	876	10
Total	7,810	100	8,339	100

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### 5.3.4 DISTRIBUTION

Sales in the USA are distributed through direct shipments to certain customers, domestically and internationally, as well as through national and regional third-party distributors.

### 5.3.5 COMPETITION

We compete mainly with multinational, national, and regional dairy processors. We have established ourselves in the USA among the top three cheese producers and among the largest processors of extended shelf-life and cultured dairy products.

### 5.3.6 EMPLOYEE RELATIONS

As at March 31, 2024, our USA Sector had approximately 8,100 employees, all located in the USA. Approximately 21% of the USA Sector's workforce is unionized.

We do not currently foresee any labour unrest in connection with the renewal of collective agreements expiring in fiscal 2025. All agreements that expired in fiscal 2024 were, or are expected to be, renewed upon satisfactory terms or continue to govern during ongoing negotiations, which are expected to result in satisfactory renewals.

## 5.4 International Sector

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The International Sector includes the Dairy Division (Australia) and the Dairy Division (Argentina). In fiscal 2024, revenues from the International Sector represented 20% of our total revenues.

### 5.4.1 PRODUCTS

In Australia, we produce, market, and distribute for the domestic and international markets, a full range of dairy products, including a variety of cheeses, butter and butter blends, milk, cream, and dairy beverages. These products are sold under various brand names, such as *CHEER*, *Cracker Barrel\**, *Devondale*, *Fred Walker*, *Great Ocean Road*, *King Island Dairy*, *Liddells*, *Mersey Valley*, *Mil Lel*, *Murray Goulburn Ingredients*, *Warrnambool*, *South Cape*, *Sungold*, and *Tasmanian Heritage*. We also produce, market, and distribute dairy ingredients and nutritional products, including milk powder, whey protein concentrates, lactoferrin, and infant formula.

In Argentina, we produce, market, and distribute for the domestic and international markets, a variety of cheeses, as well as butter and cream. These products are sold under recognized brand names, such as *La Paulina*, *Molfino*, *Saputo*, *Stella*, and *Ricrem*. We also produce, market, and distribute dairy ingredients, including milk powder, casein, and whey protein.

### 5.4.2 PRODUCTION

#### Raw Materials

In Australia and Argentina, we source our milk requirements directly from producers and other raw materials from various suppliers.

#### Facilities

As at March 31, 2024, we operated, through our International Sector, 11 manufacturing facilities, of which nine are located in Australia, including the facilities in Laverton North, Victoria, and Erskine Park, New South Wales, for which the sales were previously announced, and two in Argentina. We own all of our facilities, with the exception of two.

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\* Trademark used under license.

### 5.4.3 MARKET SEGMENTS

We are a leading dairy processor in Australia and the top dairy processor in Argentina. The sale of products manufactured by both countries is well balanced between the domestic and international markets.

#### International Sector – Revenues per Market Segment

(in millions of \$)	Year ended March 31, 2024		Year ended March 31, 2023	
	Revenues (\$)	% of Total Revenues	Revenues (\$)	% of Total Revenues
Retail	1,497	43	1,525	40
Foodservice	421	12	394	11
Industrial	1,600	45	1,866	49
Total	<b>3,518</b>	<b>100</b>	<b>3,785</b>	<b>100</b>

### 5.4.4 DISTRIBUTION

In Australia and Argentina, we distribute our products in the domestic market through third-party distributors and by direct shipment to certain customers. In the international market, we distribute our products by arranging for delivery to a port of entry using third-party carriers and, in certain cases, using the services of third-party distributors located within the international market.

### 5.4.5 COMPETITION

We compete mainly with multinational and national dairy processors. We have established ourselves as a leading dairy processor in Australia and the top dairy processor in Argentina.

### 5.4.6 EMPLOYEE RELATIONS

As at March 31, 2024, the International Sector had approximately 4,000 employees, of which approximately 2,900 were located in Australia and 1,100 in Argentina. Approximately 57% of the Australian workforce and 76% of the Argentinian workforce is unionized.

We do not currently foresee any labour unrest in connection with the renewal of collective agreements expiring in fiscal 2025, except for one facility where a limited number of employees have exercised their right to strike and for which we expect to conclude a collective agreement in the near future. Therefore, all agreements that expired in fiscal 2024 were, or are expected to be, renewed upon satisfactory terms or continue to govern during ongoing negotiations, which are expected to result in satisfactory renewals.

## 5.5 Europe Sector

The Europe Sector is comprised of the Dairy Division (UK). In fiscal 2024, the Europe Sector represented 6% of our total revenues.

### 5.5.1 PRODUCTS

We manufacture, market, and distribute cheese, butter, spreads, and oils under leading British brands, such as *Cathedral City*, *Clover*, *Country Life*, *Davidstow*, *Frylight*, and *Wensleydale Creamery*. We also manufacture dairy-free spreads marketed under the *Vitalite* brand and dairy alternative cheeses, marketed under the *Cathedral City*, *Sheese*, and *Vitalite* brands. Private label retail business has increased across all product streams following the acquisition of the Wensleydale Dairy Products business and Bute Island Foods Limited during fiscal 2022. In addition, we manufacture demineralized whey powder and galacto-oligosaccharides (GOS) for the infant formula market.

### 5.5.2 PRODUCTION

#### Raw Materials

We source our milk requirements directly from farmers and other raw materials from various suppliers.

#### Facilities

As at March 31, 2024, through our Europe Sector, we operated seven manufacturing facilities in the UK, including our Frome facility, the closure of which was previously announced. We own all of these facilities, with the exception of two. Our Innovation Centre, located on-site of an agricultural university campus, also allows us to increase our access to food and farming research.

### 5.5.3 MARKET SEGMENTS

Sales of cheese, oil, butter, spreads, and dairy alternative cheese products are mainly in the retail market segment. Ingredient sales of demineralized whey, bulk cheese and GOS are made to industrial customers. Most of our sales are to customers in the UK.

#### Europe Sector – Revenues per Market Segment

(in millions of \$)	Year ended March 31, 2024		Year ended March 31, 2023	
	Revenues (\$)	% of Total Revenues	Revenues (\$)	% of Total Revenues
Retail	829	76	728	71
Foodservice	33	3	32	3
Industrial	230	21	263	26
Total	1,092	100	1,023	100

### 5.5.4 DISTRIBUTION

Sales in the United Kingdom are mostly made through direct shipments to customer distribution centres from distribution centres run by third parties with transport and logistics provided through third parties.

### 5.5.5 COMPETITION

In the UK, we compete mainly with multinational and national dairy processors. We are the leading manufacturer of branded cheese and dairy spreads. Since the acquisition of Bute Island Foods Limited in 2021, we are a major manufacturer of dairy alternative cheese, competing for both private label and branded sales against other established dairy alternative manufacturers in the UK and across Europe.

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### **5.5.6 EMPLOYEE RELATIONS**

As at March 31, 2024, the Europe Sector had approximately 1,500 employees. Approximately 40% of the Europe Sector's workforce is unionized.

We do not currently foresee any labour disputes in connection with the renewal of collective agreements expiring in fiscal 2025. All agreements that expired in fiscal 2024 were renewed on satisfactory terms.

## Item 6 – Capital Expenditures

Our Global Strategic Plan includes a four-year capital expenditure plan (fiscal 2022 to fiscal 2025) of approximately 2.3 billion, allocated as follows:

- \$1.1 billion to base capital expenditures inclusive of maintenance, implementation of our enterprise resource planning (“ERP”) system, investments to support the execution of our Saputo Promise, and other corporate capital expenditures; and
- \$1.2 billion to strategic projects.

The bulk of the capital projects included as part of our Global Strategic Plan was completed during fiscal 2022 to fiscal 2024. We therefore anticipate that the level of capital expenditures will be lower for fiscal 2025 than the last two fiscal years, resulting in \$100 million less than we had originally planned for the four-year period of our capital expenditure plan. Over time, we anticipate returning to a level of capital expenditures similar to our depreciation and amortization expenses annually.

The following table sets forth the capital expenditures we incurred in fiscal 2024 and that we expect to incur in fiscal 2025:

Capital Expenditures <sup>(1)</sup> (in millions of \$)	Fiscal 2024	Fiscal 2025E
Base capital expenditures	256	240
Strategic projects	398	178
<b>Total</b>	<b>654</b>	<b>418</b>

(1) Excluding right of use assets.

Our ability to deploy capital expenditure projects as planned and their outcome and success are subject to the risks and uncertainties described in the Risks and Uncertainties section of our Management’s Discussion and Analysis for the fiscal year ended March 31, 2024.

In fiscal 2022, we temporarily paused the final phase of the deployment of our ERP implementation program, which was set to begin in Canada. Therefore, no further substantive expenditures related to ERP implementation were incurred in fiscal 2024 and are expected to be incurred until we resume the final phase of the deployment.



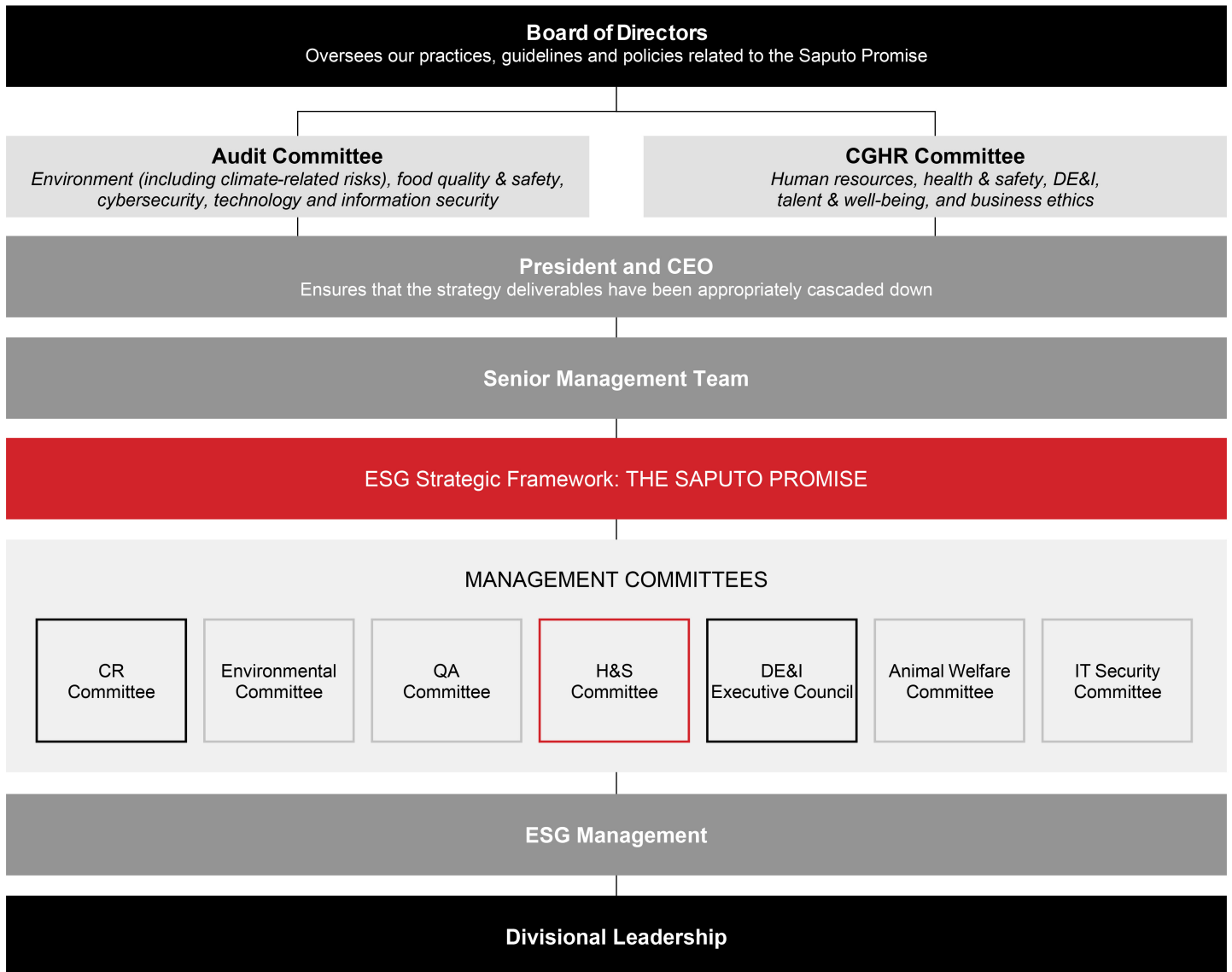
# Item 7 – Environmental, Social, and Corporate Governance

## 7.1 Governance

The Saputo Promise is our approach to social, environmental, and economic performance based on seven Pillars: Food Quality and Safety, Our People, Business Ethics, Responsible Sourcing, Environment, Nutrition and Community. The Board of Directors (the “**Board**”) oversees our practices, guidelines and policies related to the Saputo Promise. Documents relating to the Saputo Promise are available for information purposes only at [www.saputo.com](http://www.saputo.com).

Corporate governance elements of the Saputo Promise and its Pillars are summarized below:

### ESG GOVERNANCE: MANAGING ESG RISK AND OPPORTUNITY



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

- The **Corporate Responsibility Committee (“CR Committee”)** oversees the overall strategy of the Saputo Promise and monitors the Company’s progress for each of its seven Pillars. The CR Committee is composed of our President and COO (North America), the President and COO (International and Europe), the CFO and Secretary, the CHRO, the President and COO of each operating division, and our VP, Corporate Responsibility. Our divisional leadership ensures the execution and operationalization of our practices related to the Saputo Promise. Our President and COO (North America) annually reports to the Board on the Saputo Promise.
- The **Environmental Committee**, which includes our President and COO (North America), the President and COO (International and Europe), the President and COO of each operating division and the senior manager in each division responsible for environmental matters, is responsible for overseeing the implementation of the Environmental Policy and the achievement of our environmental objectives. Periodic reporting of our environmental performance is made to the Audit Committee, and the Chair of the Environmental Committee meets annually with the Audit Committee.
- The **Quality Assurance Committee (“QA Committee”)** provides global governance to ensure our high food quality and safety standards and our Food Quality and Safety Policy are upheld consistently across our operations. The QA Committee is comprised of our President and COO (North America), the President and COO (International and Europe), and the President and COO and quality assurance experts of each of our divisions. Quarterly reporting on the Company’s food quality and safety performance is made to the Audit Committee by the QA Committee, and the Chair of the QA Committee meets annually with the Audit Committee.
- The **Health and Safety Committee (“H&S Committee”)** is responsible for aligning and ensuring adherence to best practices across our divisions as it relates to health and safety (“H&S”). It is composed of our President and COO (North America), our President and COO (International and Europe), our CHRO, and the President and COO and the H&S leaders of each of our divisions. The CHRO reports quarterly to the CGHR Committee on H&S matters.
- The **Diversity, Equity, and Inclusion Executive Council (“DE&I Executive Council”)**, comprised of our CHRO, our President and COO (International and Europe) and employees from each of our divisions, promotes a diverse and inclusive work environment. The CHRO receives regular updates on the DE&I Executive Council’s progress and reports yearly to the Board on diversity, equity, and inclusion (“DE&I”) matters.
- The **Animal Welfare Committee** oversees our efforts and initiatives to ensure suppliers’ compliance with recognized animal care standards or Codes of Practice, and monitors animal welfare best practices. The Animal Welfare Committee is composed of our Director of Animal Welfare and our internal senior leaders from Governmental Affairs, Milk Procurement, Communications, and Sales. Breaches to the Company’s Animal Welfare Policy would be reported annually to the Audit Committee.
- The **Information Technology Security Committee (“IT Security Committee”)**, composed of our EVP, Information Technology and Chief Information Officer (CIO), our CFO and Secretary, our Privacy Officer and members of the senior management teams from each of our divisions, monitors the practices, procedures, and controls used to identify, assess, and manage our key cybersecurity programs and risks. The IT Security Committee also oversees the Company’s measures to protect the confidentiality, integrity, and availability of our electronic information, intellectual property, and data. The EVP, Information Technology and CIO reports quarterly to the Audit Committee on the IT Security Committee’s work and any material issues that arise.

We publish the Saputo Promise Report annually to provide shareholders and other stakeholders with increased visibility on our initiatives, challenges, and priorities in connection with the Saputo Promise. Our 2024 Saputo Promise Report can be found for information purposes only on the Company’s website at [www.saputo.com](http://www.saputo.com). Our 2024 Saputo Promise Report is aligned with the Sustainability Accounting Standards Board (SASB) Standard for the Processed Food industry and the Task Force on Climate-related Financial Disclosures (TCFD). In fiscal 2023, considering increased focus on climate-related disclosures and following our climate scenario analysis, we set up a global Working Group on Climate responsible to drive implementation efforts relative to climate-related risks and opportunities, which is led by our VP, Corporate Responsibility and comprised of representatives from various relevant corporate functions. For selected highlights of our fiscal 2024 ESG performance, see our 2024 Annual Report, available on the Company’s website at [www.saputo.com](http://www.saputo.com).

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## 7.2 Food Quality and Safety

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When it comes to food quality and safety programs, we manage our business with harmonized standards across our operations. Our facilities worldwide are audited internally and by third parties several times per year to assess compliance with local laws and regulations, as well as with international industry standards. As at March 31, 2024, 100% of our facilities were certified to the Global Food Safety Initiative (“GFSI”) standards, which require having passed a rigorous quality and food safety system audit that is internationally recognized and globally benchmarked, and all of these facilities achieved a Good or Excellent rating. Our commitment extends to our trusted partners. We share our food safety expectations with suppliers across our value chain, holding them to the same high standards.

Our Food Quality and Safety Policy, and related Company programs and standards, are overseen by our QA Committee and may be found on our website for information purposes only at [www.saputo.com](http://www.saputo.com). Quarterly reporting on our food quality and safety performance is made to the Audit Committee by the QA Committee, and the Chair of the QA Committee meets annually with the Audit Committee.

Our Food Quality and Safety Policy reflects and upholds our goal to supply our customers and consumers products that are safe and of the utmost quality. To achieve this goal, we are committed to maintaining high food quality and safety programs and standards throughout our supply chain, to continuously monitoring, reviewing, and improving these programs and standards, and to building an inclusive culture to ensure they are supported by and achieved through the commitment of all employees.

We share our food quality and safety expectations with our suppliers. From a food safety perspective, we also ensure that robust contingency processes and precautionary measures are in place, such as systems for tracing raw materials and final products, which allow us to take proactive and immediate action, if necessary.

We believe in sharing our best practices relating to food quality and safety with other dairy industry participants to help maximize the maintenance of food quality and safety for the public at large. We attain this objective by actively collaborating with industry, regulatory, and academic committees, such as the International Dairy Foods Association, the International Association for Food Protection, the Innovation Center for US Dairy, and Dairy Management Inc.

## 7.3 Our People

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### Diversity, Equity and Inclusion (DE&I)

We recognize the value of diversity, which offers a depth of perspectives and enhances our operations. We are committed to attracting talented individuals, and in our recruiting and staffing efforts, to promote a work environment that values diversity of background, skills, experiences, and perspectives. Our Diversity, Equity, and Inclusion Policy, which may be found on our website for information purposes only at [www.saputo.com](http://www.saputo.com), aims to set the guiding principles by which our decisions, actions, and behaviours will support the achievement of a diverse, equitable, and inclusive work environment.

In fiscal 2023, we launched our Advancing Gender Balance at Saputo initiative, which sets our goal of increasing the representation of women to 30% at the senior levels (vice president and above). Following an in-depth analysis across all of our divisions, we also identified areas of opportunities to increase the representation of women in certain functions and management levels. This will allow us to continue to build a stronger and more diverse talent pipeline. While our efforts have been mainly concentrated on gender, our Diversity, Equity, and Inclusion Policy is robust and inclusive, and we plan to extend our efforts to other dimensions of diversity.

Our DE&I Executive Council drives efforts to promote a diverse, equitable, and inclusive work environment across the organization at all levels. Through the initiatives of the DE&I Executive Council, we aim to continue to review the current policies and procedures as well as to deploy learning and development programs with the intent of providing equitable opportunities to all employees and potential candidates.

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DE&I is also a key component of our director nomination process. Under our Board Diversity Policy, which may be found on our website for information purposes only at [www.saputo.com](http://www.saputo.com), the Corporate Governance and Human Resources Committee (the “**CGHR Committee**”) considers potential candidates based on a balance of skills, abilities, personal qualities, educational qualifications, and professional experience, including taking into account diversity considerations such as race, national or ethnic origin, colour, religion, age, gender and sexual orientation, diversity in abilities, experiences, thoughts and beliefs as well as geographic areas and other characteristics of the communities in which we are present and conduct our business. Further, when the CGHR Committee engages an external recruitment specialist agency to assist with the recruitment process for non-independent directors, search protocols governing such firm’s search require that the pool of identified candidates include only candidates having the approved skills and include women and candidates from other designated groups. All Board appointments will aim to collectively reflect the diverse nature of the environment in which Saputo is present and conducts business. Additionally, the CGHR Committee’s annual review of the size and composition of the Board of Directors is conducted with a view to identify imbalances or gaps, as well as opportunities that may be associated with further diversification.

### **Talent & Well-Being**

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

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

We strive to be an employer of choice for top talent, recognized for our values and our commitment to our employees. Our efforts were rewarded in fiscal 2024, when Saputo was recognized as one of Canada’s Top 100 Employers by Mediacorp Canada Inc., the country’s largest publisher of employment periodicals. This designation celebrates Canadian employers leading their industries in offering exceptional workplaces to their employees. In fiscal 2024, we were also named to Forbes magazine’s list of the World’s Top Companies for Women for a second year in a row. That designation surveys worker satisfaction with regards to gender-related topics, such as opportunities for advancement, pay equity, and supportive policies for women in the workplace.

We constantly invest in our employees with continuous training and development programs, providing them with the skills needed to maintain high-quality standards throughout our operations, and to continue to growing within the Company. In fiscal 2024, we invested approximately 195,000 hours in developing our permanent employees. Furthermore, our focus on promoting from within has translated into 1,359 employees being promoted internally in fiscal 2024.

### **Health and Safety (H&S)**

Keeping employees safe and healthy is a priority for us. Our H&S Committee is responsible to align best H&S practices globally. Supported by our global Health and Safety Policy, which may be found on our website for information purposes only at [www.saputo.com](http://www.saputo.com), and leveraging Human and Organizational Performance principles, we have maintained our intense efforts relating to our global approach to H&S to build a culture where our people are an integral part of the solution. Our divisions are coming together to make sure we share a common mindset and leverage best practices globally to build safety capacity across our operations.

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## 7.4 Responsible Sourcing

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### Animal Welfare

We adopted an Animal Welfare Policy, which affirms our zero tolerance for any act of animal cruelty. Our Animal Welfare Policy may be found on our website for information purposes only at [www.saputo.com](http://www.saputo.com). We monitor adherence to our Animal Welfare Policy and expect suppliers to comply with appropriate regulations, animal care and handling standards, or Codes of Practice and to implement awareness and training programs.

Our Animal Welfare Committee oversees our efforts and initiatives to ensure suppliers' compliance with recognized animal care standards or Codes of Practice and monitors animal welfare best practices. In developing and updating the Animal Welfare Policy, the Animal Welfare Committee consults industry and governmental agencies which can include animal protection authorities, regulatory bodies, humane societies, suppliers, and customers, and it also works with animal welfare experts from universities and veterinary colleges.

### Supplier Code of Conduct

Our Supplier Code of Conduct, which may be found on our website for information purposes only at [www.saputo.com](http://www.saputo.com), sets the standards of business conduct expected from our suppliers. Beyond animal care, we aim to promote responsible business practices by working with our suppliers across the value chain and engaging them to implement standards to achieve common objectives. We believe our relationships with suppliers are vital to our ability to make high-quality products. We aim to create an environment where we can build and maintain strong, sustainable, and long-term relationships with our suppliers.

### Modern Slavery

We have a zero tolerance policy for forced labour, child labour, modern slavery and human trafficking, including in our supply chain. Our 2024 Modern Slavery Statement may be found for information purposes only on our website at [www.saputo.com](http://www.saputo.com) and on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

### Sustainable Ingredients

We recognize the importance of the transition to a net-zero world by 2050, as well as the need to transform the way food is grown and produced globally. We are committed to doing our part in creating a sustainable and equitable food system, working in partnership with our farmers, suppliers, and industry partners to:

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

Therefore, in fiscal 2022, we launched our 2025 Supply Chain Pledges, detailing our commitments on how we intend to address sustainability considerations beyond the scope of our operations.

As part of these Pledges, in fiscal 2023, we launched our global Sustainable Agriculture Policy, which defines the sustainability standards we want to achieve to ensure the responsible production of dairy ingredients. Our Sustainable Agriculture Policy may be found on our website for information purposes only at [www.saputo.com](http://www.saputo.com).

Our commitment to sustainable sourcing extends beyond dairy to other ingredients. We are a global member of the Roundtable on Sustainable Palm Oil (RSPO). As part of our membership, we are committed to sourcing 100% RSPO-certified palm oil. RSPO-certified palm oil must comply with strict environmental and social criteria developed by the RSPO, a global non-profit initiative to develop and implement worldwide standards for sustainable palm oil.

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## 7.5 Environment

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We updated our Environmental Policy in fiscal 2022 to reflect and uphold our goal and long-term commitment to pursue environmentally responsible business practices. Our Environmental Policy may be found on our website for information purposes only at [www.saputo.com](http://www.saputo.com). Our goal, as stated in our Environmental Policy, is to safeguard the environment while continuing to grow as a world-class dairy processor by:

- meeting compliance obligations;
- preventing pollution;
- reducing our impact on, and adapting to, climate change;
- using natural resources sustainably;
- protecting biodiversity and ecosystems; and
- leveraging our capabilities as a business to create positive environmental actions.

To achieve our goal, the Environmental Policy notably provides that we commit to embed strong environmental values in the leadership of our business, to dedicate resources and develop the skills of our people, to evaluate our impacts on the environment, to continually develop and improve our environmental management system (EMS) and associated business processes, and to systematically measure and monitor our performance. Our EMS consists of standardized environmental procedures, documentation and systems implemented across all our operations to help manage environmental pledges and compliance.

Our Environmental Committee is responsible for overseeing the application of the Environmental Policy. The Environmental Committee meets quarterly to discuss the progress of our environmental objectives, the environmental condition of our facilities, the required action plans, and the status of ongoing projects.

### ENVIRONMENTAL PLEDGES

In fiscal 2020, we pledged to accelerate our global climate, water, and waste performance by 2025. In this regard, we have established a governance framework to foster Company-wide accountability and ownership, including the introduction of ESG-related compensation as part of our long-term incentive plan for management.

We drive progress on our goals through targeted initiatives focusing on renewable electricity, resource conservation, and sustainable packaging. We have allocated additional resources, including capital investments of more than \$70 million to date, to support the execution of these initiatives.

### ENVIRONMENTAL COMPLIANCE

Our global operations are subject to various and continuously-evolving federal, provincial, state, municipal, and local laws and regulations relating to environmental protection. Our facilities generally operate under wastewater discharge permits issued under these laws and regulations or have entered into wastewater discharge agreements with local municipalities. Compliance with these laws, regulations, permits, and agreements require us to incur expenses and to monitor our operations on an ongoing basis. We believe that our operations comply in all material respects with the requirements of our permits and agreements, and with currently applicable environmental laws and regulations, except as discussed below. We intend to comply with all applicable environmental laws and regulations, including all permit requirements and agreements with municipalities.

Exceedances in wastewater generated by some of our facilities over the limits prescribed in applicable laws, regulations, wastewater discharge permits, or agreements with municipalities have been registered in the past and in some recent samplings, as well as isolated accidental cases of unauthorized discharges. At such facilities, we have been implementing various measures to reduce wastewater at source and, at certain locations, have upgraded or are upgrading equipment to achieve compliance and prevent future incidents.

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Through past acquisitions, we inherited historical contamination at some facilities. We are either implementing proper remediation measures, overseeing their implementation by the responsible party, or proceeding with additional investigations to determine if further action is required. In some cases, with the consent of governmental authorities, we continue to monitor the situation to confirm that no further action is required. We do not expect that major expenditures will be required to deal with the contamination at these facilities.

We stay apprised of new legislations, have appropriate monitoring plans in place where required, and comply with the registration or reporting requirements currently applicable to our operations. In this regard, we follow developments regarding legislation on extended producer responsibility and plastic waste reduction, which has been proposed in certain jurisdictions in which we operate, and also comply with applicable greenhouse gas emission reduction requirements and carbon pollution pricing systems.

During fiscal 2024, in addition to sums spent toward voluntary actions in furtherance of our Environmental Pledges, we spent approximately \$27 million to comply with existing environmental laws and regulations to address contamination issues and to improve wastewater treatment systems at a number of our facilities, and we spent less than \$210,000 in costs associated with obligations related to closed facilities. For fiscal 2025, we estimate that similar types of expenditures will be incurred, representing approximately \$25 million and \$1.6 million, respectively. We believe that compliance with currently applicable environmental protection requirements will not have a material effect on our earnings or competitive position during fiscal 2025.

## 7.6 Nutrition

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Anchored in our efforts to promote healthy living and in response to growing consumer concerns, we have developed our Nutrition and Healthy Living plan, which outlines our core guiding principles for nutrition. These include:

- advocating for dairy as an integral part of a balanced diet;
- providing clear and transparent product information and making science-based health claims;
- investing in research and development (R&D) to optimize the nutritional value of our products without compromising safety or taste;
- using authoritative, evidence-based criteria to guide product development, innovation, reformulation, and portion sizes;
- promoting and advertising products responsibly, particularly to children and youth.

To this end, we developed the Saputo Nutrient Profiling Model (NPM). The NPM is a science-based tool that helps us understand the overall nutritional value of our products and guide our product development activities. Our NPM was informed by global nutrient profiling models from governments, public health authorities, and industry bodies, as well as consultations with leading nutrient profiling scientists and applies to all our branded products, in every division.

We are also leveraging some of our trusted brands to build a strong platform to offer dairy-free alternatives to complement our current product portfolio.

Following a global review and consultation around our marketing activities, including the types of products that can be marketed to specific consumers, we adopted global Responsible Marketing Guidelines to ensure we only market products with the most nutritional value to children under the age of 15, to help families set healthy eating habits early. Our Responsible Marketing Guidelines may be found on our website for information purposes only at [www.saputo.com](http://www.saputo.com).

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## 7.7 Information Technology and Cybersecurity

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Saputo has implemented policies, practices, procedures, and controls, including maintenance of protective systems and technology, monitoring and testing, incident response, disaster recovery and business continuity plans, and employee training, to protect our IT systems and to prevent unauthorized access to confidential data, and to mitigate the risk of disruption to our business. We make strategic investments in this area in order to mitigate cyber threats. We also have security and compliance processes, protocols, and standards that are applicable to our third-party service providers. Our processes include a due diligence approach that ensures that third-party services, including cloud-based services, are evaluated using industry standard security assurance approaches to assess the risks. Third-party providers must comply with security frameworks such as the International Organization for Standardization (ISO) and International Electrotechnical Commission (IEC) 27001 standard, or equivalent, or provide third-party assurance on relevant control objectives.

Our cybersecurity risk management strategy has been designed using enterprise risk considerations and aligns with industry standards such as the National Institute of Standards and Technology (NIST). We regularly evaluate and adjust our cybersecurity risk management strategy based on a variety of considerations, including risk assessments, continuous monitoring, and periodic independent cybersecurity maturity evaluations. Cybersecurity risks are assessed and included as part of the Company's annual Internal Audit plan.

Our IT Security Committee monitors the practices, procedures, and controls used to identify, assess, and manage our key cybersecurity programs and risks, and it also oversees the Company's measures to protect the confidentiality, integrity, and availability of our electronic information, intellectual property, and data. Our comprehensive cybersecurity program is managed by a dedicated team of information technology and cybersecurity experts.

We have a mandatory Enterprise Awareness Training Program designed to ensure our employees' awareness of, and ability to recognize, report, and mitigate, security threats such as phishing attacks and other cyber-related schemes designed to obtain access to confidential, proprietary information and our IT systems. Our Enterprise Awareness Training Program includes mandatory annual training and bi-monthly cybersecurity awareness videos for all employee computer users, to enhance their understanding of proactive security measures and best practices. We also conduct monthly phishing tests.

The Audit Committee, which is responsible for overseeing the Company's cybersecurity, technology, and information security risk management, oversees the IT Security Committee's work and any material issues that arise through bi-annual reports from the EVP, Information Technology and CIO. The Audit Committee receives periodic updates from management on cybersecurity and compliance.

We hold cybersecurity insurance in case of a cybersecurity breach. The adequacy of insurance coverage is evaluated on an ongoing basis, including the cost relative to the benefits. Management receives regular briefings on developments of cyber incidents occurring globally, outside our Company. Management is also actively trained and participates in annual cybersecurity mock exercises to ensure preparedness and resilience in the event of a major cyber attack. To our knowledge, we have not experienced a material information security breach within the last four years on our core systems or network infrastructure. See the heading "Risks and Uncertainties" of our Management's Discussion and Analysis for additional details on the cybersecurity risks applicable to us.



## Item 8 – Intellectual Property

As we are involved in the production, sale, and distribution of food products, we rely on brand recognition and loyalty from our clientele. See the “Overview” section above for our brand portfolio. In addition to promoting and protecting our established brands, we also develop new brands to meet evolving market demands.

Also, as innovation forms part of Saputo’s growth strategy, new technologies, products, and process optimization methods have been developed by our research and development teams in recent years. The protection of these assets may include patenting certain technologies when appropriate. Hence, we take, and intend to continue taking, appropriate measures to protect, maintain, and enforce our intellectual property. Our approach to intellectual property includes:

- continuously monitoring the public domain to identify infringement or unauthorized use of our intellectual property and taking action to enforce our rights when necessary;
- offering targeted training to our employees namely on their role in protecting our intellectual property; and
- ensuring that confidential agreements are in place when necessary.

## Item 9 – Risks and Uncertainties

The risks and uncertainties related to our operations are disclosed in our Management’s Discussion and Analysis for the year ended March 31, 2024, under the heading “Risks and Uncertainties”, and incorporated herein by reference. See the “Additional Information” section below to access our Management’s Discussion and Analysis.

## Item 10 – Dividend Policy

### 10.1 Dividend Policy

Saputo has a policy of declaring quarterly cash dividends on the Common Shares. The Board of Directors reviews our dividend policy annually, based on factors such as our financial condition, financial performance, and capital requirements. During fiscal 2024, our dividend policy was reviewed by the Board of Directors and the quarterly dividend was increased on August 8, 2023, to \$0.185 per share (or \$0.74 per share annually), representing a 2.78% increase compared to fiscal 2023.

The following table sets out the annual dividend paid per Common Share for the three most recently completed fiscal years:

	2024	2023	2022
Dividend paid per Common Share	\$0.74	\$0.72	\$0.72

### 10.2 Dividend Reinvestment Plan

We implemented a dividend reinvestment plan (the “DRIP”) on May 28, 2020. The DRIP provided eligible shareholders with the opportunity to have all or a portion of their cash dividends automatically reinvested into additional Common Shares.

On February 8, 2024, we announced the suspension of our DRIP until further notice. As a result, shareholders who were enrolled in the DRIP now receive dividend payments in the form of cash, commencing with the dividend paid on March 15, 2024. If we elect to reinstate the DRIP in the future, shareholders that were enrolled in the DRIP at the time of suspension and remained enrolled at reinstatement will automatically resume participation in the DRIP.

# Item 11 – Capital Structure and Market for Securities

## 11.1 Share Capital

### 11.1.1 SHARE CAPITAL DESCRIPTION

Our articles provide that our authorized share capital shall be composed of an unlimited number of Common Shares, without nominal or par value. As of the close of business on May 31, 2024, 424,326,415 Common Shares were issued and outstanding.

The following is a summary of the material provisions which are attached to the Common Shares and are qualified by reference to the full text of the rights, privileges, restrictions, and conditions of such shares, which may be found on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

#### Voting

Each Common Share entitles its holder to receive notice of and to attend all general and special meetings of shareholders of Saputo, and each such Common Share entitles its holder to one vote.

#### Dividends

The holders of Common Shares are, at the discretion of the Board of Directors, entitled to receive, out of any amounts properly applicable to the payment of dividends, any dividends declared and payable by Saputo on the Common Shares.

#### Dissolution

The holders of Common Shares shall be entitled to share equally in any distribution of our assets upon the liquidation, dissolution, or winding-up of Saputo or other distribution of our assets among our shareholders.

### 11.1.2 SHARE TRADING PRICE AND VOLUME

The following table outlines the price range and trading volume of the Common Shares on the TSX for each month of the last fiscal year:

#### Price Range and Trading Volume of the Common Shares on the TSX

Month	High (\$)	Low (\$)	Volume
April 2023	35.82	34.13	7,566,800
May 2023	36.70	33.46	6,538,700
June 2023	35.58	28.51	15,562,200
July 2023	29.82	27.40	10,037,000
August 2023	29.47	27.17	10,563,300
September 2023	29.59	27.81	9,344,000
October 2023	28.70	26.74	6,937,500
November 2023	29.13	25.75	10,864,600
December 2023	27.04	25.85	11,551,100
January 2024	28.93	26.28	9,365,500
February 2024	28.64	25.87	8,603,100
March 2024	27.83	25.57	9,693,400

## 11.2 Medium Term Notes

Since November 14, 2014, we have a medium term note program (the “**MTN Program**”) under which unsecured medium-term notes (the “**MTNs**”) can be distributed to the public. The MTNs rank equally and *pari passu* with all other existing and future unsecured and unsubordinated indebtedness of the Company.

On December 22, 2022, the Company filed an unallocated short form base shelf prospectus providing the flexibility to make offerings of Common Shares, debt securities, warrants, subscription receipts and units during the 25-month period that the base shelf prospectus is effective. We relied on substantively harmonized blanket orders of the securities regulatory authorities in each of the provinces and territories of Canada, including the *Autorité des marchés financiers (Québec)*'s *DÉCISION No. 2021-PDG-0066 Décision générale relative à une dispense de certaines obligations du régime de prospectus préalable au bénéfice d'émetteurs établis bien connus*, providing for exemptions from certain prospectus requirements for well-known seasoned issuers. In addition, we renewed our MTN Program by filing a supplement to the short form base shelf prospectus on December 22, 2022 and can therefore issue MTNs over the 25-month period.

During fiscal 2024, we completed the offering of one series of MTNs, which is detailed in the following table:

Security	Series 11 Notes
Size of Offering	\$550,000,000
Original Issue Date	November 20, 2023
Maturity Date	November 20, 2030
Coupon Rate	5.492%
Issue Price	\$1,000 per \$1,000 principal amount
Application of Proceeds	Repayment of outstanding indebtedness and general corporate purposes

As at May 31, 2024, we had seven series of unsecured senior notes outstanding under our MTN Program for an aggregate principal amount of \$2.95 billion.

In connection with our MTN Program and the issuance of the MTNs, we obtained credit ratings. See “Credit Ratings”.

## 11.3 Credit Ratings

As at May 31, 2024, our credit ratings were as follows:

	DBRS		Moody's	
	Rating	Trend	Rating	Outlook
Issuer Credit Rating	BBB	Stable	–	–
MTN Program	BBB	Stable	Baa1	Stable
Notes	BBB	Stable	Baa1	Stable

Our current credit ratings are given the following credit characteristics by the rating agencies, which are based on information made available to the public by the rating agencies.

### DBRS

- DBRS Limited (“**DBRS**”) has 10 issuer rating categories and long-term debt rating categories, each ranging from AAA to D and uses the designation “(high)” and “(low)” in all rating categories other than AAA and D to show the relative standing of a rating within a category. The absence of either a “(high)” or “(low)” designation indicates the rating is in the middle of the category.

- The BBB issuer credit rating assigned to us by DBRS indicates that we rank in the fourth highest of DBRS's 10 rating categories. Issuers which are rated in the BBB category by DBRS are considered to be of adequate credit quality and the capacity for the payment of their financial obligations is considered acceptable. In addition, issuers in the BBB rating category may be vulnerable to future events. Issuer ratings assigned by DBRS address the overall credit strength of the issuer, are based on the entity itself and do not include consideration for security or ranking.
- The BBB long-term debt rating assigned by DBRS to the MTNs we issued indicates that the MTNs rank in the fourth highest of DBRS's ten rating categories. Debt instruments which are rated in the BBB category by DBRS are considered to be of adequate credit quality and the capacity for the payment of financial obligations is considered acceptable. In addition, debt instruments in the BBB rating category may be vulnerable to future events.
- DBRS uses "rating trends" for its ratings in the corporate sector. Rating trends provide guidance in respect of DBRS's opinion regarding the outlook for the rating in question, with rating trends falling into one of three categories – "Positive", "Stable" or "Negative". The rating trend indicates the direction in which DBRS considers the rating is headed should present tendencies continue, or in some cases, unless challenges are addressed. In general, the DBRS view is based primarily on an evaluation of the issuing entity or debt instruments, as applicable, but may also include consideration of the outlook for the industry or industries in which the issuing entity operates. A Positive or Negative Trend is not an indication that a rating change is imminent. Rather, a Positive or Negative Trend represents an indication that there is a greater likelihood that the rating could change in the future than would be the case if a Stable Trend was assigned to the issuing entity or debt instruments, as applicable. DBRS assigns a rating trend for each security of an issuing entity, and it is not unusual for securities of the same entity to have different trends.

### Moody's

- Moody's Canada Inc. ("**Moody's**") has nine long-term debt rating categories, ranging from Aaa to C and applies numerical modifiers 1, 2, and 3 to each rating classification from Aa to Caa. The modifier 1 indicates that the long-term debt ranks in the higher end of its generic rating category, the modifier 2 indicates a mid range ranking and the modifier 3 indicates that the issue ranks in the lower end of its generic rating category.
- The Baa1 rating assigned to the notes we issued by Moody's indicates that the notes rank in the fourth highest of Moody's nine rating categories. Long term debt securities, which are rated Baa by Moody's, are considered medium grade and as such may possess speculative characteristics.
- Moody's uses "rating outlooks" to provide its opinion regarding the likely direction of a rating over the medium term. The assignment of, or a change in, an outlook is not a credit rating action if there is no change to the credit rating. Where assigned, rating outlooks fall into the following four categories: "Positive (POS)", "Negative (NEG)", "Stable (STA)" and "Developing (DEV - contingent upon an event)".

The credit ratings assigned by DBRS and Moody's are not recommendations to purchase, hold, or sell our securities and may be subject to revision or withdrawal at any time by the respective rating organization. Such ratings do not comment as to market price or suitability for a particular investor. There is no assurance that these ratings will remain in effect for any given period of time or that the ratings will not be revised or withdrawn entirely in the future by the respective rating organizations if in their judgment circumstances so warrant. The credit ratings assigned by DBRS and Moody's may not reflect the potential impact of all risks related to structure and other factors of the MTN Program and on the value of the MTNs. In addition, real or anticipated changes in the credit ratings assigned to us or our securities will generally affect the market value of the MTNs.

As is common practice, each of the above-noted credit rating agencies charged us for their rating services, which include annual monitoring fees for monitoring the Company and updating the ratings, in addition to one-time rating fees when MTNs are issued. We reasonably expect that such payments will continue to be made for rating services in the future. No additional payment was made to the above-noted credit rating agencies for other services provided to us during the last two fiscal years.

## Item 12 – Directors and Officers

### 12.1 Directors

The following table sets forth each director's name, province/state and country of residence, the year each first became a director, and principal occupation. Directors are elected until the next annual meeting of shareholders or, in the case of a vacancy or resignation, until a successor is elected or appointed.

Name and Province/State and Country of Residence	Director Since	Principal Occupation <sup>(1)</sup>
Lino A. Saputo Québec, Canada	2001	Chair of the Board, President and CEO, Saputo Inc.
Victor L. Crawford <sup>(3)(6)</sup> Maryland, USA	2023	Corporate Director
Henry E. Demone <sup>(2)(5)</sup> Nova Scotia, Canada	2012	Corporate Director
Olu Fajemirokun-Beck, ACMA, CGMA, CIMA <sup>(3)</sup> New Jersey, USA	2021	Founder and CEO, The Beck Group NJ LLC (a boutique strategic and management advisory firm)
Anthony M. Fata <sup>(2)(4)</sup> Québec, Canada	2008	President, Sager Food Products Inc. (a food products manufacturing and distribution company)
Annalisa King, ICD.D <sup>(3)</sup> British Columbia, Canada	2012	Chair of the Board of the Vancouver Airport Authority
Karen Kinsley, FCPA, ICD.D <sup>(3)</sup> Ontario, Canada	2015	Corporate Director
Diane Nyisztor, CPA, H.R.C.C.C. <sup>(2)</sup> Québec, Canada	2016	Corporate Director
Franziska Ruf <sup>(2)</sup> Québec, Canada	2016	Partner, Davies Ward Phillips & Vineberg LLP (a law firm)
Stanley H. Ryan <sup>(2)(6)</sup> Washington, USA	2023	Chair of the Board of Pacific Basin Shipping Limited (a global bulk commodity shipping company)
Annette Verschuren, O.C. <sup>(3)</sup> Ontario, Canada	2013	Chair of the Board and CEO, NRStor Inc. (a commercial energy storage project developer)

- (1) Reference is made to our Management Information Circular dated June 6, 2024, under the section titled "Election of Directors", for information on other occupations during the last five years. This information is incorporated herein by reference. Our Management Information Circular may be found on our website at [www.saputo.com](http://www.saputo.com) or on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).
- (2) Member of the CGHR Committee. If all proposed nominees for election to the Board are elected at the next annual meeting of shareholders to be held on August 9, 2024 (the "Meeting"), the Board intends to reconduct Mr. Fata as Chair of the CGHR Committee.
- (3) Member of the Audit Committee. If all proposed nominees for election to the Board are elected at the Meeting, the Board intends to reconduct Ms. King as the Chair of the Audit Committee.
- (4) Lead Director. If all proposed nominees for election to the Board are elected at the Meeting, the Board intends to reconduct Mr. Fata as Lead Director.
- (5) Mr. Demone will not be standing for re-election at the Meeting.
- (6) Appointed as director of the Company on November 9, 2023.

During the last five years, all of the above-listed directors have been engaged in their present principal occupations or in other executive capacities with the companies indicated opposite their name or with related or affiliated companies, with the exception of:

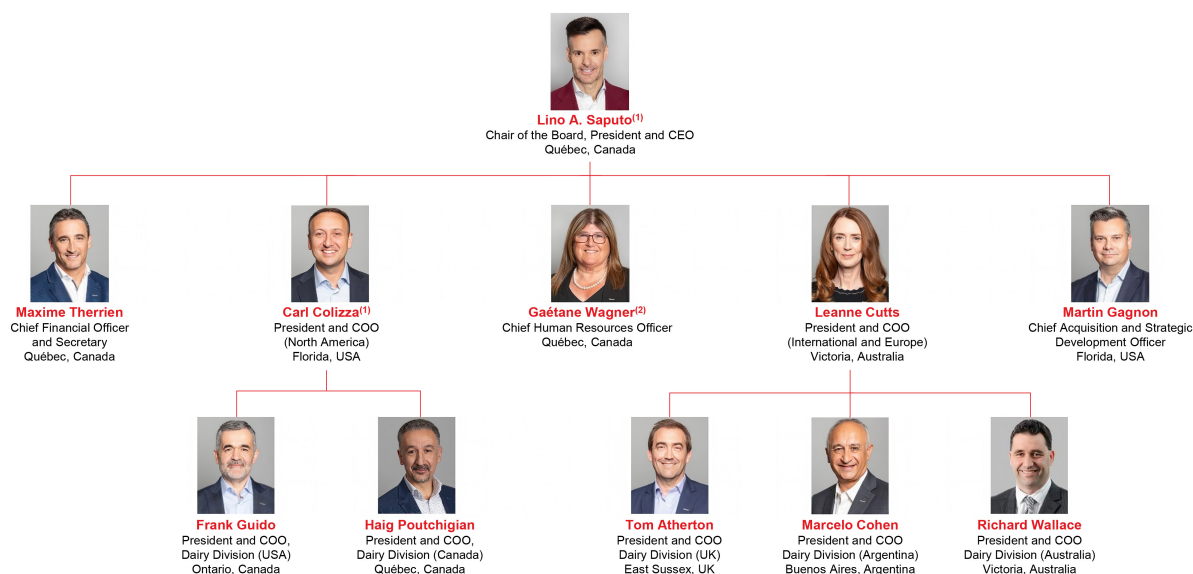
- Mr. Crawford who was CEO, Pharmaceutical Segment at Cardinal Health from 2018 to 2022;
- Mr. Demone who was Chair of the Board of Directors, High Liner Foods Incorporated from 2015 to 2019;
- Mr. Ryan who was President and CEO, Darigold from 2016 to 2022; and
- Ms. Nyisztor who was Senior Vice Present and CHRO and Special Human Resources Advisor, Cogeco from 2014 to 2022.

Information concerning the securities held by directors is included in our Management Information Circular, dated June 6, 2024, under the section titled "Election of Directors".

## 12.2 Executive Officers

The following chart sets forth the name, province or state, country of residence, and position with the Company of each person who is an executive officer of the Company as of May 31, 2024:

### Strong and Seasoned Leadership Team



<sup>(1)</sup> On May 14, 2024, the Company announced that, effective August 9, 2024, Mr. Saputo will transition to a role of Executive Chair of the Board and Mr. Carl Colizza will succeed to Mr. Saputo as President and CEO of the Company.

<sup>(2)</sup> On March 14, 2024, Ms. Gaétane Wagner announced her retirement from the Company, which will take effect following the completion of a transition period. Ms. Isabelle Tisseur will assume the role of CHRO upon Ms. Wagner's retirement.

During the last five years, all of the above-listed executive officers have held the principal occupation indicated opposite their names or other senior management positions with the Company, except Ms. Cutts who was Global Chief Marketing Officer at HSBC from 2017 to 2021.

As of May 31, 2024, our directors and executive officers, as a group, beneficially owned or exercised control or direction over, directly or indirectly, an aggregate of 477,249 Common Shares, representing approximately 0.11% of our outstanding Common Shares.

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## Item 13 – Legal Proceedings

We are defendants to certain claims arising from the normal conduct of our business. Management believes that the final resolution of these claims will not have a material adverse effect on our earnings or financial position.

## Item 14 – Interest of Management and Others in Transactions

The Audit Committee reviews the Company's related party transactions pursuant to the Company's procedure on related party transactions. Any transaction by the Company on the one hand and a related party, such as (i) companies subject to control or significant influence through ownership by its principal shareholder, or (ii) key management personnel, being all the executive officers who have responsibility and authority for controlling, overseeing, and planning the activities of the Company, as well as the Company's directors, on the other hand, is subject to the Company's procedure on related party transaction. In the normal course of business, we may enter into related party transactions at fair value, consistent with market values for similar transactions. In fiscal 2024, these transactions were of an immaterial amount. Reference is made to the note of the Consolidated Financial Statements of the Company that describes related party transactions. See "Additional Information".

## Item 15 – Experts

Our auditor for fiscal year 2024 is KPMG LLP. KPMG LLP is independent of Saputo within the meaning of the Code of Ethics of the *Ordre des comptables professionnels agréés du Québec*.

## Item 16 – Transfer Agent and Registrar

The transfer agent and registrar for the Common Shares and the MTNs is Computershare Trust Company of Canada at its principal offices in Montréal and Toronto.

## Item 17 – Material Contracts

No material contracts outside our ordinary course of business were entered into during the year ended March 31, 2024, or before such year that are still in effect, and which are required to be filed with Canadian securities regulatory authorities in accordance with section 12.2 of National Instrument 51-102 - Continuous Disclosure Obligations.

## Item 18 – Audit Committee Information

### 18.1 Audit Committee’s Mandate

The Audit Committee’s mandate is included in Appendix A.

### 18.2 Composition and Relevant Education and Experience

All members of the Audit Committee are independent and financially literate as those terms are defined in National Instrument 52-110 - Audit Committees.

The following table sets forth each Audit Committee member’s name and education, as well as experience relevant to the performance of his or her responsibilities as an Audit Committee member:

Name	Education and Experience
Victor L. Crawford	Completed a Bachelor's degree in accounting. Mr. Crawford began his career with roles at PricewaterhouseCoopers and Federal-Mogul Corporation. Mr. Crawford subsequently held executive positions at several companies in the food and beverage, hospitality, and healthcare services industries. He was CEO, Pharmaceutical Segment, of Cardinal Health, Inc., and Group President and COO at Aramark Corporation. He also held senior management positions at PepsiCo, Inc. and Marriott International Inc. Mr. Crawford is a director of The Hershey Company, where he also serves as member of the Audit Committee and has served as Chair of the Audit Committee. Mr. Crawford’s professional experiences required and contributed to the development of his ability to analyze financial statements and understand the accounting principles we use.
Olu Fajemirokun-Beck ACMA, CGMA, CIMA	Completed a Master's degree in law. Ms. Fajemirokun-Beck is a member of the Chartered Institute of Management Accountants (CIMA) and has obtained the ACMA and CGMA certifications. Ms. Fajemirokun-Beck has occupied senior executive positions in finance throughout her career in the consumer goods industry across multiple categories, brands, and functions, including CFO for Uncle Ben’s and Financial Controller at Mars, Incorporated. Ms. Fajemirokun-Beck founded the Beck Group NJ LLC in 2013 and currently occupies the position of CEO. Ms. Fajemirokun-Beck’s professional experiences required and contributed to the development of her ability to analyze financial statements and understand the accounting principles we use.
Annalisa King ICD.D	Completed a Bachelor's degree in business administration. Ms. King has occupied senior positions, primarily in finance, throughout her career at consumer-packaged goods companies, including SVP and CFO of Best Buy Canada Ltd. from 2008 to 2016, where she led the company’s finance and accounting departments, as well as the information and ecommerce technology, cybersecurity, legal, and real estate functions. Ms. King’s professional experiences required and contributed to the development of her ability to analyze financial statements and understand the accounting principles we use.
Karen Kinsley FCPA, ICD.D	Completed a Bachelor's degree in commerce. Ms. Kinsley has been a member of the Chartered Professional Accountants of Ontario since 1979 and was named a <i>fellow</i> in 2009. Ms. Kinsley held various positions within Canada Mortgage and Housing Corporation, including CFO for nine years and President and CEO for ten years. Ms. Kinsley’s professional experiences required and contributed to the development of her ability to analyze financial statements and understand the accounting principles we use.
Annette Verschuren O.C.	Completed a Bachelor's degree in business administration. Ms. Verschuren has occupied senior functions throughout her career, such as President of The Home Depot Canada from 1996 to 2011. She has been the Chair and CEO of NRSor Inc. since March 2012. Ms. Verschuren’s professional experiences required and contributed to the development of her ability to analyze financial statements and understand the accounting principles we use.



### 18.3 Policies and Procedures Regarding the Services Rendered by the External Auditors

We have a policy with respect to services rendered by our external auditors (the “Policy”). The Policy divides the services in three categories:

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| (i) services that are considered audit related (“ <b>Audit Services</b> ”) and therefore covered by the annual audit budget; | (ii) services that do not qualify as Audit Services (“ <b>Other Mandates</b> ”); and              |
|  | (iii) services that cannot be provided by the external auditors (“ <b>Prohibited Mandates</b> ”). |

Pursuant to the Policy, no Other Mandate(s) can be provided by our external auditors, unless one of the following conditions is met:

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| (i) the Audit Committee has pre-approved the Other Mandate(s); or  |
| (ii) the amount of the fees to be paid for the Other Mandate does not exceed \$75,000 and the aggregate amount of all Other Mandate(s) not pre-approved by the Audit Committee and granted since the beginning of the fiscal year does not exceed \$250,000. |

Finally, the Policy requires that Management presents to the Audit Committee, on a quarterly basis, a statement of the services (other than the Audit Services) rendered by our external auditors.

### 18.4 External Auditor’s Fees (By Category)

The following table sets out, by categories, the fees billed by KPMG LLP, our external auditor, during the years ended March 31, 2024, and March 31, 2023.

(in thousands of \$)	Year ended March 31, 2024	Year ended March 31, 2023
Audit Fees	2,556	2,431
Audit Related Fees	892	940
Tax Fees	48	254
All Other Fees	92	233
<b>Total</b>	<b>3,588</b>	<b>3,858</b>

“Audit Fees” include the aggregate fees billed by our external auditors for professional services rendered for the audit of our annual consolidated financial statements, for the review of our condensed interim consolidated financial statements, and for services provided in connection with regulatory, prospectus, and other offering document filings or similar engagements. In addition, audit fees included the cost of translation of various continuous disclosure documents.

“Audit Related Fees” include the aggregate fees billed by our external auditors for assurance and related services that are reasonably related to the performance of the audit or review of the financial statements and not reported as part of Audit Fees. More specifically, these services include, among other things, pension plan audits, attest services that are required by statute or regulation, consultations regarding financial reporting and accounting standards, services related to acquisitions, and other statutory audits.

“Tax Fees” include the aggregate fees billed by our external auditors for tax advice and tax planning services.

“All Other Fees” include the aggregate fees billed by our external auditors for all services other than those reported under Audit Fees, Audit Related Fees, and Tax Fees, and generally relate to services performed with respect to business consulting and other advisory services.

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## Item 19 – Additional Information

Additional information, including the disclosure of our corporate governance practices, directors' and officers' remuneration and indebtedness, principal holders of securities and securities authorized for issuance under the equity compensation plan are included in our Management Information Circular, dated June 6, 2024. Additional financial information is included in our Consolidated Financial Statements and notes thereto and in the accompanying Management's Discussion and Analysis for the fiscal year ended March 31, 2024. These documents may be found on our website at [www.saputo.com](http://www.saputo.com) or on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca). Copies of these documents may be obtained by written request to our Secretary by mail at 1000 de la Gauchetière Street West, Suite 2900, Montréal, Québec, Canada, H3B 4W5, or via our Investor Relations department at [investors@saputo.com](mailto:investors@saputo.com).

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# Appendix “A”

## Audit Committee Mandate

### 1. AUTHORITY

The audit committee (the “Committee”) is a standing committee of the Board of Directors (the “Board”) of Saputo Inc. (the “Company”) which has the responsibilities described under the heading “Responsibilities”. The Committee reports to the Board. The role of the Committee is to assist the Board in its oversight and supervision of (i) the integrity of the Company’s financial reporting, (ii) the Company’s internal controls, (iii) the independence, qualifications and performance of the external auditors, (iv) the performance of the internal auditor, (v) risk management, (vi) the Company’s compliance with applicable securities legislation and (vii) elements of the Saputo Promise delegated to the Committee by the Board.

### 2. STRUCTURE

- 2.1 The Committee is made up of a minimum of three directors of the Company, each being independent and financially literate, except to the extent permitted under securities legislation. The terms “independent” and “financially literate” each have the meaning provided under securities legislation.
- 2.2 The mandate of the members is for one year and may be renewed. The members are appointed by the Board at the first meeting following the annual meeting of shareholders, or at any other meeting to fill a vacancy. The Board may dismiss or replace a member at any time.
- 2.3 The Chair is appointed by the Board for a one-year term, which may be renewed. In the absence or failure of the Chair to sit, this role is filled by a member chosen by the Committee.
- 2.4 The Committee meets at least four times annually. The Chair of the Board, the Lead Director, any member of the Committee, the external auditors, the person responsible for internal audit, the President and CEO, or the CFO and Secretary may call special meetings as needed. The Committee determines the place, date, and time of its meetings. The meetings may be held by telephone or by any other means allowing the members to communicate with each other. Unless waived by the members of the Committee, the Committee shall meet in camera at each meeting.
- 2.5 The quorum for meetings of the Committee is a majority of the members and decisions are made by the majority of the votes cast by the members present.
- 2.6 The Chair of the Committee approves meeting agendas and ensures that documents referred to in the agenda are forwarded to members of the Committee sufficiently in advance for their perusal. Any member of the Committee may propose the inclusion of additional items on the agenda, or at any Committee meeting raise subjects that are not on the agenda for that meeting.
- 2.7 Minutes of meetings of the Committee must accurately reflect the significant discussions and the decisions of the Committee and must be circulated to the members of the Committee for their approval. The Secretary of the Company, their designate, or any other person the Committee requests, shall act as secretary of the Committee meetings. Minutes of the Committee meetings shall be recorded and maintained by the Secretary, or any other person acting in such capacity, and subsequently presented to the Board.
- 2.8 To facilitate communication between the Committee and the Board, the Chair must provide a report to the Board on material matters considered by the Committee at the first Board meeting following the Committee’s meeting.
- 2.9 The Committee may invite any person deemed appropriate to a Committee meeting. However, such person may not at any time vote at the Committee’s meeting.

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2.10 The Committee has full access to members of senior management, other personnel, as well as to documents of the Company and its subsidiaries. The Committee has the authority to retain, at the cost of the Company, independent legal counsel, consultants, or other advisors it considers necessary to carry out its mandate and fulfill its responsibilities, and to fix the compensation of such advisors.

2.11 The Committee has the power to communicate directly with the external auditors and the Company's internal auditor, accounting personnel, and management, each of which shall have unrestricted access to the Committee. For the purpose of its duties, the Committee may examine the pertinent books and accounts of the Company and its subsidiaries.

2.12 The external auditors report and account directly to the Committee.

### 3. RESPONSIBILITIES

In carrying out its mandate and in addition to complying with legal responsibilities that may be attributed to it from time to time, the Committee has the following responsibilities and obligations:

#### 3.1 Financial Disclosure

- Review the interim financial reports and annual financial statements accompanied by the external auditors' report, management's discussion and analysis, and press releases regarding the financial results before their public release and recommend their approval to the Board. This review includes discussions with management and the external auditors regarding the interim financial reports and the annual financial statements and material questions concerning the accounting principles and practices of the Company.
- Review as directed by the Board or at the discretion of the Committee the other public documents which may disclose financial information, including all prospectuses, the management information circular, annual information form, and annual report of the Company before their public release and recommend their approval to the Board.
- Review and monitor practices and procedures relating to the certifications by the President and CEO and the CFO and Secretary with respect to internal control over financial reporting and disclosure controls and procedures.
- Review and discuss with management and the external auditors the appropriateness, quality, and disclosure of the accounting principles and practices, the underlying assumptions and the reporting practices of the Company, and the appropriateness of any significant changes thereto or any proposed material change, and ensure they comply with the applicable laws and regulations.
- Review, examine, and discuss the foreseeable repercussions of any new audit or accounting standards, or new requirement under the securities legislation with management and the external auditors.
- Review, at least annually, the Company's strategy regarding distributions to shareholders generally, including strategy with respect to dividends and making recommendations to the Board with respect to the repurchase of shares of the Company.
- Review the disclosure of the pension plans and other post-employment benefits of the Company in the annual financial statements.

#### 3.2 Risk Management and Internal Control

- Periodically review, evaluate, and discuss with management and internal audit the risk factors inherent to the Company (including reputational, financial, strategic, compliance, and operational risks) and ensure that appropriate measures are in place to enable management to identify and manage them effectively.
- Oversee the elements of the Saputo Promise delegated to the Committee by the Board, such as environmental matters, including climate-related risks, food quality and safety, cybersecurity, technology and information security, as well as the Company's risk management relative to these elements, and report periodically to the Board on these elements.
- Periodically review and monitor the presence and the effectiveness of the Company's internal control over financial reporting through reports prepared by management, the internal auditor, and the external auditors (which reports would also identify weaknesses or would make recommendations in respect of controls that could have a material impact on the financial information of the Company), as well as the measures implemented to remedy the situation and ensure proper follow-up.

- Periodically evaluate and assess the adequacy of the disclosure controls and procedures of the Company, including the procedures set up by the Company to communicate publicly its financial information taken or derived from its financial statements.
- Establish and maintain a policy concerning the disclosure of material information.
- Review management's report on transactions with related parties.
- Review any legal matters (including tax matters and litigation proceedings, claims, and contingencies) that could have a material effect on the financial statements or on the affairs of the Company and ensure that they are appropriately disclosed in the financial statements.
- Ensure that the annual information form and the management information circular include the required and mandatory information concerning the Committee.
- Review communications with the Autorité des marchés financiers or any other regulatory authority regarding the financial statements and continuous disclosure documents.
- Establish and maintain procedures regarding:
  - the receipt, retention, and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters;
  - the confidential and anonymous submission by employees of the Company and other stakeholders of concerns regarding questionable accounting or auditing matters.
- Review the delegation of authority and oversee its application.

### 3.3 Internal Audit

- Oversee the internal audit function.
- Review and approve annually the internal audit plan prepared by the person responsible for internal audit.
- Periodically review the reports, observations, and recommendations of the internal auditor intended for the Committee, as well as the implementation of the recommendations.
- Meet periodically with the person responsible for internal audit, with and without the presence of management and the external auditors. During private meetings, discuss, among other things, the level of cooperation received from management, any unresolved differences of opinion, if any, the risk management framework and the internal control systems in place.
- Evaluate the performance of the internal audit function at least once per year.

### 3.4 External Auditors

- Oversee the work of the external auditors retained to prepare or issue the auditors' report or render other audit, review, examination or certification services to the Company and resolve disagreements, if any, between management and the external auditors regarding financial reporting.
- Obtain and review annually a report by the external auditors of the Company describing the external auditors' quality control procedures.
- Recommend to the Board the appointment of external auditors for the upcoming fiscal year and the fees for all audit, review, or other attest services.
- Review, discuss with the external auditors, and adopt annually the audit plan prepared by the external auditors, determine whether it meets the needs of the Company and, at least once per year, obtain an official written declaration from the external auditors attesting to their independence and delineating all relationships the external auditors have with the Company which may affect the independence and objectivity of the external auditors.
- Review and evaluate, at least once per year, the independence and performance of the external auditors, the qualifications and quality of their engagement team, and the quality of communications and interactions between the Committee, the external auditors, and management.

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- Review the external auditors' letters of recommendations to management, management's reply thereto, and the implementation of the recommendations.
  - Adopt and maintain a policy concerning the prior approval of all services not related to the audit which the external auditors of the Company may render to the Company and its subsidiaries in accordance with applicable laws and regulations, as well as the fees for such services, and ensure the enforcement of and compliance with such policy.
  - Examine and approve the hiring policy of the Company with respect to former or current partners and employees of current and former external auditors of the Company and ensure the enforcement of and compliance with such policy.
  - Meet periodically with the external auditors, with and without the presence of management, in regard to the interim financial reports and annual financial statements and discuss with them (i) the results of the audit or review, as applicable, (ii) the assessment of the control systems in place and their recommendations, (iii) any significant risks or exposures identified by the external auditors, and (iv) any other material matter relating to the audit or review of the financial statements, including the level of cooperation received from management and the internal auditor and any material differences of opinion between the external auditors and management that occurred during the course of the audit or review of the financial statements.
  - Ensure that there is a rotation of the lead engagement partner, engagement quality review partner, and other key audit partners, as per the CPA Code of Professional Conduct.
  - Review any other issue which the Board, in the opinion of the external auditors, should be informed about and report thereon to the Board.

### 3.5 Evaluation of the Committee

- Annually assess the accomplishments and performance of the Committee and submit the result of this assessment to the Board.
- Periodically review the mandate of the Committee and recommend any changes to the Board.

### 3.6 Other Responsibilities

- Carry out any other duty related to the performance of its mandate, including, in particular, any investigations about matters related to its mandate.
- Carry out any other mandate which the Board may entrust to it from time to time.
- Act as a channel of communication between management, the internal auditor, the external auditors, and the Board.

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