



Environmental, Social and Governance

Report • 2024



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Introduction

About this report

This report provides an overview of Agropur's environmental, social and governance activities covering the fiscal year that extended from October 29, 2023, to November 2, 2024.

It should be read in conjunction with Agropur's 2024 Annual Report. Significant activities, case studies and data from prior to 2024 have been included where applicable to provide additional informative context.

This report marks Agropur's fourth year of utilizing the ESG format to highlight relevant activities. These reports were preceded by Agropur's 2017–2018 Corporate Responsibility Report and our 2020 Sustainability Report.

Each of our ESG reports are based on the Global Reporting Initiative (GRI) core option standards.

Questions or comments may be directed to:
media@agropur.com



Agropur plant
Hull, Iowa

Introduction

Message from the President and CEO



Roger Massicotte
President



Émile Cordeau
Chief Executive Officer

Agropur makes meaningful efforts to have a positive impact on its communities and future generations. Within the dairy industry, we are pleased to see significant environmental, social, and governance commitments.

At Agropur, we combine concrete actions with our desire to be a driver of change. We rely on collaboration with partners to achieve our common ESG goals. This is part of our cooperative values.

A few years ago, the dairy industry realized the necessity to better measure the improvements it was implementing and enhance the way it communicates its efforts made on the farm and throughout the processing chain. Customers and consumers want to see progress and know the intentions of industry players. Expectations for large organizations are increasingly high, and Agropur is part of the solution.

With the latest edition of this ESG performance report, our Cooperative recognizes the essential role of these criteria in our operations

and reports on a structured, rigorous and transparent approach.

Action at the plant and farm

The Cooperative is committed to supporting the sustainable development initiatives of its members, dairy farmers and customers to reduce the carbon footprint of our entire value chain.

Agropur is Canada's largest dairy processor owned by dairy farmers. This places the Cooperative in a unique position to support promising initiatives implemented on the farm and in the plant. We also monitor the environmental progress of dairy farmers in the United States who supply the milk we process in our American plants.

In addition to growing our Sustainable Farms Program, Agropur intends to pursue efforts in responsible water management and energy efficiency across all its activities. Concrete examples of these initiatives can be found in this report.



Governance: consulting our members

Over the past year, Agropur consulted its members to validate the Cooperative’s governance structure and guide relevant changes. We discussed four main topics: the composition of the Board of Directors, the network of facilitators, the role of delegates and the place of the next generation.

These discussions will lead to the modernization of our regulations and the improvement of our governance in 2025. This will allow us to better reflect current practices in relation to future needs, while strengthening our transparency, efficiency and member participation.

We thank all our members who participated in this exercise over the past year.

The strength of cooperation

Agropur recognizes the importance of giving back to communities. In this regard, we support numerous charitable causes and agricultural, community and cooperative movement activities. The Cooperative also ensures that a portion of its profits is reinvested in the communities in which it is established to enhance the work and involvement of its members.

Agropur’s cooperative model emerged in 1938 as a response to significant economic challenges. Producers

wanted better control over their supply while taking charge of the marketing of farm products. Over the years, the Cooperative demonstrated its resilience by overcoming crises, wars, recessions and a pandemic. History has shown the relevance of the cooperative model. This helps us make a difference in the application and respect of ESG factors. Today, we are among the world’s top 20 largest dairy processors, like many other cooperatives. This is a great source of pride.

Committed and united

With nearly 2,700 members, 7,000 employees, and 30 dairy processing plants in North America, Agropur is actively deploying effective solutions to ESG-related challenges.

Over the years, the Cooperative has preserved its founding principles and continues to serve as a responsible citizen within its communities. We will continue on this path and are more committed and united than ever to our cooperative.

Sincerely,


Roger Massicotte,
President


Émile Cordeau,
Chief Executive Officer



Agropur head office
Longueuil, Québec

Introduction

Message from the sponsor of our sustainability strategy

Environmental, social and governance issues continue to evolve rapidly within the global food industry. Agropur is committed, year after year, to working with its member producers, employees and government partners in favour of sustainable development. Through its actions, the Cooperative aims to raise the standards governing the dairy sector.

At a time where financial information standards in Canada are evolving to take into account ESG criteria, Agropur is set to publish the fourth edition of its ESG report in 2024.

As the key dairy partner for the food industry, supporting our customers in achieving their sustainable development goals is an important commitment for Agropur. The year 2024 was marked by several achievements within the organization in this regard, both on the farm and in processing. Here are some examples from this report.

Dairy production

- » In July 2024, Agropur became one of the 13 semi-finalists in the Agricultural Methane Reduction Challenge by the Ministry of Agriculture and Agri-Food Canada. The challenge aims to develop scalable and economically viable practices, technologies and processes to reduce enteric methane emissions from livestock. Agropur’s nomination comes with a grant of C\$153,000. Agropur’s project proposes an innovative and scalable flax-based feeding strategy in dairy rations.
- » Agropur joined the Dairy Methane Action Alliance, a group of major US food companies committed to reducing and accounting for methane emissions in their dairy supply chains. With the help of the Environmental Defense Fund, a leading science-based environmental advocacy group, the alliance prioritizes reducing methane production on dairy farms. Agropur will work with its customers on these goals.



Diane Bertrand
Senior Vice President, Corporate
Affairs and Cooperation



Ferme Karona, Agropur member
Plessisville, Québec

New programs in Canada and the United States

- » Important progress has been made to support our member dairy producers in Canada. More than 90 Agropur members participated in the first cycle of the Sustainable Farms Program and benefited from the new services offered to them. The goal is to establish a collaborative process to measure members' progress in sustainable development, support continuous improvement and promote results to our customers and consumers.
- » In 2024, Agropur launched a new incentive program for American dairy producers. The Cooperative offers US \$9,000 per farm to calculate annual carbon footprints. This effort is made possible by the grant from the Partnerships for Climate-Smart Agriculture of the United States Department of Agriculture.

Sustainable transport

- » Both Agropur's operations in Canada and the United States have joined the SmartWay Transport Partnership program, which helps organizations improve the sustainability of their freight supply chains by minimizing fuel costs and environmental impact. This voluntary program helps carriers and shippers evaluate their operations, track fuel consumption and improve overall performance. It also identifies the most efficient carriers, service providers and equipment. In addition to Agropur, more than 3,600 North American organizations are involved in this partnership.

"Better Dairy. Better World."

In this ESG report 2024, you will find Agropur's strategies and their impacts in Canada and the United States, demonstrating Agropur's efforts to

continue providing nutritious and high-quality food while staying true to its slogan "Better Dairy. Better World." The Cooperative is fundamentally committed to sustainable development by working with its member producers, employees and the entire industry. To remain effective and always support its customers, Agropur will continue to keep pace.

Happy reading,

Diane Bertrand,
Senior Vice President,
Corporate Affairs and Cooperation



Introduction

About Agropur

Agropur is a leading North American dairy processor and a major global supplier of products to the retail, food service and industrial food product sectors. We also produce an impressive roster of brands trusted by consumers across Canada.

Founded in 1938, we've grown from a small, local cooperative into one of the world's largest dairy companies with sales of nearly C\$8.8 billion in 2024. We're owned by close to 2,700 dairy farmer members in Canada and have approximately 7,000 global employees.

We are proud of our cooperative model, which is based on sharing wealth. Each year, Agropur distributes patronage returns to our members, depending on their annual dairy production and the Cooperative's financial situation. In 2024, Agropur processed more than 6.8 billion liters of milk across our plants in Canada and the United States.

Our strategic vision is to be the key dairy partner for the food industry. Today, Agropur continues to hold firm to the principles that guided our growth and support our promise: "Better Dairy. Better World."

C\$610M

Operating income

C\$8.8B

Sales

C\$141M

Net surplus

C\$60M

Patronage returns

Agropur headquarters
Longueuil, Québec
Canada





Introduction

Our workplaces

Agropur has an extensive network of facilities across Canada and the United States, as well as sales offices around the world.

Our locations at a glance:

- » 30 plants across North America.
- » Laboratories, research and development centers, distribution centers, warehouses and offices.
- » **Facilities in seven Canadian provinces:** Alberta, British Columbia, New Brunswick, Newfoundland and Labrador, Nova Scotia, Ontario and Québec.
- » **Facilities in five US states:** South Dakota, Idaho, Iowa, Minnesota and Wisconsin.
- » **International sales offices:** Geneva, Switzerland; Santiago de Querétaro, Mexico; Shanghai, China; Singapore.



Introduction

Business-to-business (B2B) relations

Agropur takes great pride in our successful consumer brands, which are trusted by families across Canada for their great taste and exceptional nutrition. But that is only part of what we do. We're just as proud to supply food companies all around the world with the high-quality dairy products they need to meet their own brand promises.

Agropur has the vision to be the key dairy partner for the food industry and we continue to make great strides through our dedication to exceptional products, innovation and reliability. Our business-to-business (B2B) sales account for a significant percentage of our sales, and we export to more than 60 countries.

We are a major dairy supplier to the retail, food service and industrial food product sectors. Today, global consumers enjoy our dairy products at restaurants of all sizes,

including many popular chains. We also supply distributors, and our products contribute to many prominent food, beverage and nutrition brands found in stores.

Our manufacturing facilities produce more than 500 million kilograms (more than 1 billion pounds) of cheese each year and we're one of North America's largest whey protein producers. Agropur is one of North America's leading dairy processors and one of the largest for private-label brands in Canada.

Agropur's experts also work closely with food manufacturers to develop new products. Our wide-ranging dairy portfolio prioritizes the nutritional value of milk while driving category innovation. Our B2B customers recognize that we put the same high degree of excellence into their brands as we do our own.

Our brands, a standard of excellence

Natrel

MONSIEUR
GUSTAV

OKA

Farmers

Sealtest

Central Dairies

Québon

 **lucerne**
SINCE 1904

**island
FARMS**



 **SCOTSBURN**

AGROPUR
Grand Cheddar
CANADIAN RESERVE

LEXTRA



Introduction

Our history

Agropur traces our roots to the wake of the Great Depression and a belief that unity could lift struggling dairy farmers in rural Quebec from their difficulties.

Our founders’ trust in the cooperative model proved visionary. Today, we’re among the world’s largest dairy processors. Yet even while so much has changed, we still rely on the founding principles that guided our growth and strengthened our communities through the better part of a century.

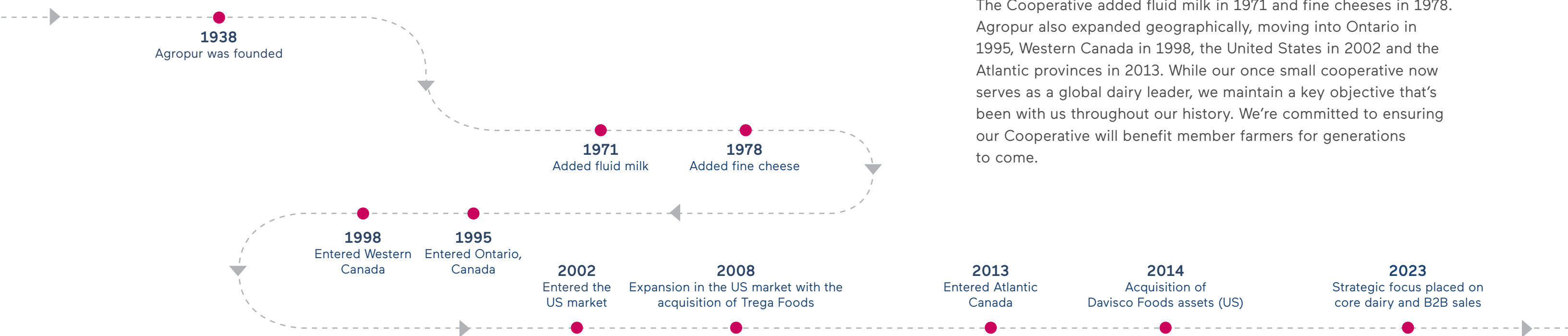
Agropur’s story began in 1938 when farmer Omer Deslauriers and agronomist Alpha Mondou used their persuasive skills and an extensive door-to-door campaign to convince dairy farmers in the region to form a cooperative.

On August 24, 1938, they brought together 87 local farmers in the town of Granby. Each contributed about \$50 CAD — an amount that’s worth more than \$1,000 today — to form the Société coopérative agricole du canton de Granby, which eventually became Agropur.

Initially, the cooperative focused on providing farm supplies to its members. However, activities soon shifted to processing the milk produced by the cooperative’s member farmers.

Growth has been a defining characteristic of Agropur throughout our history as demonstrated by more than 140 mergers and acquisitions. Agropur entered new sectors of the dairy industry over the years, adding other products to our early lines of cheese, butter and milk powder.

The Cooperative added fluid milk in 1971 and fine cheeses in 1978. Agropur also expanded geographically, moving into Ontario in 1995, Western Canada in 1998, the United States in 2002 and the Atlantic provinces in 2013. While our once small cooperative now serves as a global dairy leader, we maintain a key objective that’s been with us throughout our history. We’re committed to ensuring our Cooperative will benefit member farmers for generations to come.

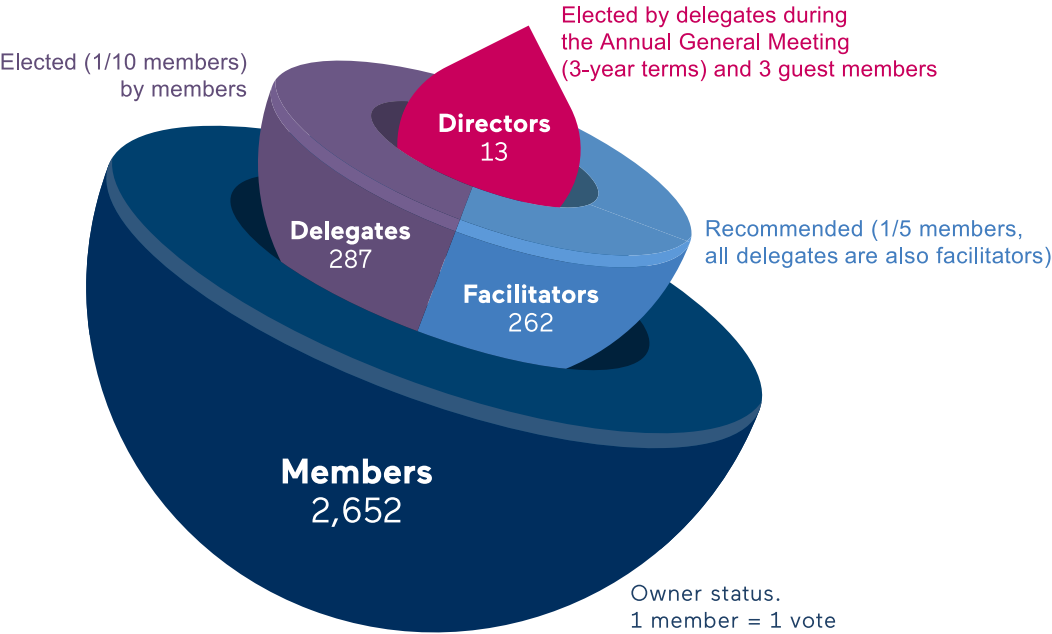


Our governance structure

The Board of Directors oversees Agropur’s business strategy. The Board includes 13 Agropur dairy farmer members and three guest members. Board members are elected for renewable three-year terms by all delegates at the Cooperative’s Annual General Meeting. The Agropur Management Board carries out the Board of Directors’ decisions.

Under the CEO’s leadership, members of the Management Board define Agropur’s development directions and strategies, in addition to administering and directing day-to-day business.

Agropur’s global sustainability governance is led by the Board of Directors’ Sustainability



Committee, which is composed of six directors, as well as senior staff members who meet at least three times per year and report their work to the Board. The committee sets a long-term strategic vision and establishes priorities. It also reviews initiatives and can make recommendations to the Board on sustainability topics. Members are informed by sustainability strategy sponsors and employees responsible for the performance measures applicable to sustainability across the organization.



Roger Massicotte
President,
Mauricie-Portneuf, 2003



Jeannie van Dyk
Vice-President,
Atlantic, 2013



Stéphanie Benoit
Vice-President, nominated and
elected by universal suffrage,
2015



Roger Beaulieu
Est-du-Québec,
2014



Alex Berthiaume
Chaudière-Appalaches, 2020



René Bessette
Estrie-Granby, 2024



Michel Boisvert
Montréal, 2017



Johanne Camiré
Érable-Seigneuries, 2022



Céline Delhaes
Nominated and elected by
universal suffrage, 2011



Alain Forget
Laurentides-Lanaudière, 2014



Jean-Pierre Lacombe
Salaberry-Richelieu, 2007



Martial Lemire
Nicolet - Bois-Francs, 2019



Emmanuelle Vincent
Next-Generation
Director, 2022



Pierre Lessard
Guest member



Martine Rivard
Guest member



Paul Wagstaff
Guest member

2024 Board of Directors' Sustainability Committee member

Introduction

Our ESG approach

At Agropur, we truly believe that better dairy can contribute to a better world.

With close to 2,700 dairy farmer members and 7,000 employees, Agropur works each day to bring great tasting, affordable and nutritious dairy products to families. We strive to do so in a manner that respects our planet and strengthens the ties with our communities.

As we strive to be the food industry's key dairy partner, Agropur recognizes its major responsibilities and we're continually making efforts to improve. Climate change concerns everyone, therefore all actors in the supply chain need to support each other's efforts to achieve sustainability goals.

Agropur's ESG strategy came into focus in 2020 when we conducted a materiality assessment with help of a globally certified third-party sustainability firm to assess the industry's changing expectations. The goal was to prioritize the industry's global and national sustainability issues to help Agropur develop an ESG plan. We also wanted to align

our operations with the global dairy industry's sustainability goals.

The materiality assessment is a globally recognized tool used by all industries to identify key areas for sustainability planning, program design and reporting. This exercise revealed a significant shift in the dairy industry from a qualitative approach of corporate responsibility to one of sustainability. Companies are now expected to provide quantitative and external performance measures and reporting mechanisms.

Based on the findings of the assessment, we initially updated our sustainability themes to focus on five core areas and a global governance structure to support our continual growth in the sustainability space. We have since narrowed our themes to three core areas: Better Planet, Better Communities and Better Governance.

Looking ahead, Agropur will refresh its efforts in 2025 with the completion of a Double Materiality Assessment. Building on our 2020



Agropur has proudly adopted the U.S. Dairy Stewardship Commitment, affirming to our customers, our consumers and the global marketplace, Agropur's pledge to responsible dairy production as we nourish the communities we serve. For more information about the U.S. Dairy Stewardship Commitment, go to: <http://commitment.usdairy.com/>.

materiality assessment, the double materiality approach will identify impacts, risks and opportunities that can affect the short- to long-term value of Agropur.

This new assessment will highlight the ESG topics most material to our organization from both impact and financial perspectives. It will leverage existing sustainability priorities identified by employees, our farmer members and the Dairy Sustainability Framework to ensure a holistic assessment of our value chain.

By engaging internal subject matter experts and external stakeholders, we will analyze the broader operating context, reporting requirements and material topics such as climate change, animal care, working conditions, business conduct and procurement.

We anticipate that the forthcoming effort will better prepare Agropur for an increased focus on sustainability along our value chain and new environmental, social and governance (ESG) disclosure regulations on the horizon.



Agropur participates in 2024 World Dairy Summit

Each year, the World Dairy Summit hosts global dairy sector leaders to share innovations and knowledge around industry standards, safety, quality, nutrition and sustainable development.

In October 2024, a small Agropur delegation led by CEO Émile Cordeau traveled to Paris, France, to participate in the four-day event, highlighting the Cooperative's commitments to both innovation and achieving a more sustainable future.

The 2024 summit, hosted by the International Dairy Federation (IDF), offered a platform for leaders to discuss the complex tasks of feeding a growing population while implementing changes to reduce the carbon footprint of the industry.

Mr. Cordeau took part in a dairy leaders panel and Q&A session, which included engaging discussions on industry challenges and consumer perceptions about dairy. He noted the important role of innovation, which continues to better harness the nutritional value of dairy. As an example, high-value-added dairy ingredients continue to play a growing role in medical and health applications.

Members of the delegation also took part in the Dairy Leaders Forum on Sustainability, which focused on a key question for

those gathered: "How can the global dairy sector ensure food security and nutrition for a growing population, while supporting the livelihoods of millions in an environmentally sustainable way?"

Agropur's delegation also spoke of its commitment to sustainability while highlighting the importance of working with stakeholders to reduce carbon footprints and promote sustainable farming practices.

For Agropur, about 95% of greenhouse gas emissions come from our value chain, whether they are generated on the farm or through the packaging and distribution of our products. The conclusion of those events is clear: even while processors such as Agropur do not exercise full control over their GHG emissions, they have a responsibility to collaborate toward solutions.

The IDF World Dairy Summit and the Dairy Leaders Forum on Sustainability are important examples of that collaboration. This delegation's participation reinforced Agropur's dedication to advancing the dairy industry toward a more sustainable and innovative future while also gaining invaluable insights from other global dairy leaders.



*Émile Cordeau at the 2024
World Dairy Summit in Paris*



Introduction

Our dairy network

Agropur is proud to process a wide variety of delicious, high-quality dairy products, but we cannot do it alone. A vast network of stakeholders contributes to the journey from farm to table. As a top global dairy processor, Agropur’s efforts to maintain strong communication is vital to our success. Agropur maintains productive relationships across the dairy industry and beyond, ensuring that individuals and entities who have a role in our operations also have a voice in our sustainable development approach.

Dairy farmers and member owners

Our Cooperative Advisors and field service representatives are in daily contact with member owners and dairy farmers. They provide training and technical assistance on milk quality, animal welfare, equipment upgrades and related topics. Interventions are carried out both remotely and on the farm. Our team in Canada keeps members updated on business developments and industry trends through regular written communications and member meetings.

Customers

Our sales team maintains consistent contact with our business customers through regular meetings and quarterly, semi-

annual and annual business reviews. Agropur also provides information to customers through ESG reporting on our key performance indicators and facility reviews such as the SEDEX/SMETA audit.

Consumers

Agropur carries out periodic surveys of its Canadian consumers through several channels of communication to gauge product satisfaction, analyze consumer trends and gather general feedback to support product research, design and innovation processes.

Associations and NGOs

Agropur engages regularly with dairy farmer associations through meetings and conferences and meets with non-governmental organizations periodically to discuss issues of shared interest, such as public health and community outreach.

Financial partners

Agropur holds an annual business review and provides quarterly financial statements to our financial partners.

Governments

Agropur maintains constant communication with government agencies through meetings with regulatory officials, reporting requirements and compliance processes.

Employees

Regular meetings are held with various department teams to provide relevant updates and direction to support our operations. In terms of engagement, Agropur carries out an annual, confidential survey addressing engagement and strategic alignment to capture employee perspectives and measure employees’ understanding and buy-in of organizational objectives.

Suppliers – non-milk vendors

Our global procurement team is in daily contact with the suppliers that support our facilities. Depending on the level of supplier, the team may conduct weekly or monthly check-ins, along with quarterly, semi-annual or annual business reviews based on the topics that need to be addressed.

Agropur works with leading dairy organizations across North America:



Better planet

Dairy farmers have always recognized that high-quality milk and a healthy environment go hand in hand. At Agropur, we also understand that our commitment to producing delicious, nutritious dairy products carries with it a responsibility to the stewardship of our natural resources.

High-quality dairy is produced and processed in a sustainable manner. It respects the welfare of animals and of the planet.

In this section, we will feature the important steps we are taking to achieve a better planet. It details our Sustainable Farms Program, which provides our dairy farmer members with the information and tools they need to improve their carbon footprints. This section will also explore our work toward animal welfare, milk quality and more efficient operations. All of these efforts contribute to our promise, “Better Dairy. Better World.”



Ferme Panama, Agropur member
Saint-Pierre-Baptiste, Québec





Ferme Panama, Agropur member
Saint-Pierre-Baptiste, Québec

Better planet

Our Sustainable Farms Program

Cooperation and solidarity have been a part of Agropur's DNA from the beginning and play an important role in our commitment to animals and the environment. Agropur is also concerned about the well-being of our members and the communities in which we operate. In 2024, Agropur kicked off its Sustainable Farms Program in that spirit, and with the following goals:

- » Learn more about members' farming practices;
- » Better support them in their efforts;
- » Increase communication with our business partners and customers on dairy farmer efforts;
- » Further build upon public trust.

The Sustainable Farms Program will make it possible to:

- » Measure on-farm greenhouse gas emissions and key performance indicators about animal welfare and environmental practices;

- » Identify the potential for customized solutions;
- » Continue communication on good practices regarding animal welfare and the environment.

The Sustainable Farms Program was formally launched at Agropur's 2024 Annual General Meeting. President Roger Massicotte introduced the program in his speech and a booth was set up to welcome discussions between our members and Cooperative Advisors. The annual, voluntary program serves as an important step in our commitment to sustainability, and in our desire to support our members with their continued adoption of sustainable farming practices.

The launch followed a successful pilot project that began in 2022 and involved 43 member dairy farmers from Québec, New Brunswick and Nova Scotia.

In 2024, Agropur saw 91 members sign on to participate in the program’s first cycle. Recruitment efforts and data collection were supported by our Cooperative Advisors, who serve as Agropur’s “boots on the ground” and have a privileged link to our membership. The initial round of participating member farms benefited from our new Sustainable Farms services, to establish a collaborative process aimed at:

- » Measuring members’ progress in regard to sustainability;
- » Supporting continuous improvement;
- » Promoting results to our customers and consumers.

The program’s collaborative process benefits both members working to improve sustainable practices on their farms as well as Agropur’s business. Studies show that quality animal care results in high-quality milk. Additionally, the dairy industry supports good sustainability practices and the reduction of GHG emissions. Consumers are increasingly interested in how milk is produced before they buy it. Our customers also have expectations regarding their business partners and seek processors that can help fulfill their objectives.

Thanks to the participation of our members, Agropur now has a database of key performance indicators for sustainable agriculture and is able to share interesting overall information about best practices on participating farms.

In addition to this aggregated data, Agropur has provided participating members with personalized progress reports to support them in their reflections on improvement. The reports, which paint an objective picture of sustainable development, will guide the members and their crop and livestock professionals on the next steps to achieve their goals.

What’s more, the Cooperative will be able to demonstrate progress made in terms of sustainability to its customers and consumers. As a result, members will be contributing to our Cooperative’s success.

Agropur continues to collaborate with all industry players and partners to support members interested in measuring and improving themselves. We use our learnings to mobilize collective action and ensure alignment between marketing boards and processors.

As the most important dairy cooperative in Canada, we believe it’s important to coordinate our efforts to find harmonized approaches for the entire dairy industry. That’s why we continue to share our experience and work with other industry players across Canada.

Sharing our sustainability progress

Agropur is proud of our progress and dedicated to continually improving our sustainable practices. We also recognize the importance of keeping our stakeholders informed about and involved in this important journey. Our speaking engagements in 2024 included:

- » Technical and Economic Days for the Sollio Network’s Consulting Experts (Journées technico-économiques pour les experts-conseils du réseau Sollio) on January 24 and 31, 2024, in Lévis and Saint-Hyacinthe, QC;
- » New Brunswick Living Lab on March 12, 2024, in Fredericton, NB;
- » Agropur was a sponsor of the New Brunswick Soil and Crop Improvement Association’s 2024 Annual General Meeting held on March 14, 2024;

- » Québec Association of Agronomists in Animal Science (Association québécoise des agronomes en zootechnie (l’AQAZ)) on May 22, 2024, in Drummondville, QC;
- » Dairy Cattle Industry Forum on Sept. 18, 2024, in Toronto, ON;
- » Nature United, in collaboration with the Smart Prosperity Institute and Nature Investment Hub, held a forum and panel entitled “Unlocking the Economic Potential of Natural Climate Solutions”, on October 1, 2024, in Ottawa, ON.



Supporting our dairy farmers

Agropur’s sustainability journey begins at the farms that supply our wholesome, high-quality milk. As partners in this important endeavor, we’re committed to helping our dairy farmer members in Canada and our US milk suppliers improve their environmental practices and animal care.

proAction The Dairy Farmers of Canada (DFC) proAction program is a national on-farm assurance tool that includes multiple sustainability modules including Milk Quality, Food Safety, Animal Care, Livestock Traceability, Biosecurity and Environment. Compliance with proAction is mandatory for all dairy producers in Canada and 99.4% of all Canadian dairy farms are registered. The remaining 0.6% is attributed to new farms still implementing requirements or existing farms that are in the process of updating their practices.

The proAction Environment program was rolled out in 2021 and addresses issues such as soil conservation and health, water use and management, biodiversity and energy use. In 2023, proAction marked a significant achievement for the dairy industry and for environmental stewardship with the completion of the first round of Environment module validations across all Canadian dairy farms.

The results of the module questionnaire were encouraging. Among respondents, 99% reported the

implementation of at least one best-management practice for soil compaction and 96% implemented at least one for energy use. Dairy farmers are required to complete the Environmental Questionnaire every two years, so every dairy farm has now completed at least one.

In 2022, Dairy Farmers of Canada set a goal to reduce emissions and sequester carbon at the farm level. DFC is committed to achieving net-zero emissions from farm-level dairy production by the year 2050.



In the United States, dairy farmers are assessed through the Farmers Assuring Responsible Management (FARM) program. Assessments collect on-farm data to calculate carbon and energy footprints for the farms. The program also provides sustainability resources such as science-based standards, verifications, metrics and other tools for farms to benchmark their performance and support the adoption of regenerative agriculture practices.

In 2024, 81 farms that supply Agropur in the United States were added to the FARM Environmental Stewardship database. This represents a total herd size of 50,699 cows, producing nearly 1.4 billion pounds of fat-and protein-corrected milk per year. Fat-and protein-corrected milk is a standardized measure of milk production adjusted to ensure consistent



Agropur supports dairy farmers’ adherence to strict guidelines on antibiotics, whether government-imposed or part of proAction or FARM, to treat, control and prevent specific diseases. The use of growth-promoting substances in dairy production is illegal in Canada.

comparisons across different cows or time periods. This brings the total farms reporting into the database to 182, representing over 360,000 cows and almost 8.5 billion pounds of FPCM.

High-quality milk

Consumers expect healthy, tasty dairy products when they buy them. They’re also increasingly careful about the foods they consume. As such, Agropur’s success and prosperity depend on obtaining the highest quality milk.

We therefore work closely with our members and dairy farmers to help ensure top-quality milk supplies. We consider these efforts an important investment.

High-quality raw milk is easier to process. Once processed, it enables better shelf life of products and therefore more efficient use of resources in the supply, processing and distribution chain to prepare them.

High-quality milk takes teamwork

Agropur works closely with our farmers and provides key resources that help them maintain milk quality. Our team of qualified Cooperative Advisors and field service representatives help prevent and resolve on-farm milk quality issues with intervention plans, state-of-the-art equipment and continuous, advanced training. These teams can identify milk quality problems and their causes, provide solutions and minimize risk factors. Once corrective measures have been implemented on the farm, advisors conduct follow-up verification to confirm standards have been met.

In 2024, our team supported 768 members in their efforts to improve milk quality. These interventions were conducted either remotely (1,886 interventions) or on the farm (336 interventions).

We also maintain a network of service locations for members who volunteer to have their milk tanks tested for antibiotics

before they are sent out. These 34 locations are spread throughout Quebec, New Brunswick and Nova Scotia and provide results within five minutes.

In the US, our field service representatives visit six to eight farms per day to monitor production indicators and provide support where needed.

Our efforts for quality have been successful by several measures:

- » A dozen members have been recognized each year since 1988 for their milk quality via the Club of Excellence Milk Quality Award;
- » In 2024, we recognized 87 finalists and 13 regional champions for the Milk Quality Award;
- » In 2024, an average of 26.6% of our Québec members qualified for the province's premium rewarding highest-quality milk production.



An Agropur employee checks the quality of the milk directly at the farm

Agropur's Club of Excellence winners set positive examples

Agropur's Club of Excellence has recognized our best milk quality results for more than 35 years. The competition has continually put a spotlight on exceptional practices utilized by our dairy farmer members. Agropur launched the Club of Excellence Animal Welfare Award in 2020 to also highlight the great efforts put forth in this critical area.

Ferme Gagnonval in Sainte-Hénédine, Québec was named the 2024 Milk Quality Grand Champion, while Ferme Roland Caron in Laurierville, Québec earned the Grand Champion designation for Animal Welfare.

Agropur President Roger Massicotte said our winners set important examples of excellence for the dairy industry.

"These Grand Champions show how you can reconcile operational excellence with constant care for animal welfare," he said. "Their methodical and proactive approach to dairy production yields exceptional results—results that meet the expectations of today's consumers, who are looking for healthy and high-quality products. These award winners embody the road ahead for our industry."

Four decades of dairy production

Ferme Gagnonval won its first title over 13 finalists thanks to the exceptional quality of its milk, which was evaluated over a 12-month period. The dairy farm also received high marks in a sanitary inspection.

Marc and Daniel Gagnon have owned the farm for 40 years and have 34 Holstein milking cows. They employ a methodical approach and pay close attention to detail, consistently applying good milking methods. This ensures the health of the milking cows' mammary glands and yields high-quality milk.

"Being a finalist in this competition is already such an accomplishment in itself, and it is a testament to the excellence of our results. For us, every finalist is therefore a champion. We all share a common passion, and that is our love of animals. To produce high-quality milk, you have to love animals above all," said Marc Gagnon and his partner, Brigitte Boivin, after taking the title of Grand Champion.

continued >

**Ferme Gagnonval,
2024 Grand Champion of the
Club of Excellence, Milk Quality**



Innovation and animal welfare: a family tradition

Ferme Roland Caron demonstrated excellence in both award categories. The Animal Welfare Grand Champion was also a regional champion in the Milk Quality competition. It was only the second time in the history of the Club of Excellence that a farm earned both distinctions.

As part of the Animal Welfare competition, members explain their initiatives through a nomination form, which is evaluated by a jury panel. Based on the assessments, top finalists are subject to unannounced farm visits, which helps determine the Grand Champion.

Owned by the Caron family for three generations, the farm today is led by Sabrina Caron and Danny

Giguère and manages 105 Holstein milking cows. In 2020, a fire destroyed the farm's dairy facilities. The owners transformed disaster into opportunity. They brought in major innovations during the rebuilding process, including sand-bedded stalls and open stabling that gave the animals more freedom of movement. Particular attention was paid to the calving cows, who now give birth in deep-litter pens, optimizing the comfort of the newborn calves.

"Improving animal welfare is something that can be done by anyone, and it has a positive impact on the cows' environment and their production. Even small adjustments can make a big difference in improving the health of our animals," said Sabrina Caron and Danny Giguère.

***Ferme Roland Caron,
2024 Grand Champion of the
Club of Excellence, Animal Welfare***



Animal welfare

Agropur is committed to high standards for animal welfare because it’s the right thing to do. However, we also draw important benefits from the dedication of our members and dairy farmers to provide safe, healthy and comfortable conditions. Dairy cattle that are raised and housed in these surroundings produce more milk – and milk of a better quality.

Agropur’s Statement on Animal Welfare pledges to promote proper animal welfare standards among our members and milk suppliers and to work alongside all partners who share the same goal.

Supporting members with credible expertise

In our Canadian operations, Agropur’s direct involvement on multiple fronts provided clear animal welfare guidelines for the dairy industry and our members. Canada’s dairy farmers have a responsibility to comply with the National Farm Animal Care Council’s Dairy Cattle Code of Practice, which is assessed through the proAction program.

In Canada, Agropur’s team of Cooperative Advisors, made up of seven agronomists, take the interests of our dairy farmer members to heart and act as a frontline resource. They’ve been key to the early success of our Sustainable Farms Program both in terms of recruiting participants and collecting data. The advisory team uses

state-of-the-art equipment and continuous training to help members reach animal welfare goals and industry expectations.

In our US operations, we rely on the Farmers Assuring Responsible Management (FARM) – Animal Care Program. It is an excellent industry initiative to develop the highest animal care standards for US dairy farms. The on-farm continuous improvement process targets animal care and quality assurance. Agropur requires all farms and cooperatives that ship milk to our facilities are compliant with the program.

Our team of six field service representatives provides technical assistance and resources to farmers to help resolve issues and meet requirements. Agropur’s US field service team evaluates all participating farms on a three-year basis. Third-party audits are also carried out in accordance with the frequency determined by the FARM program.

Investing in our members

Our Animal Welfare Services department assists our members in several ways. In 2024, 37 of our members received financial support to attend conferences pertaining to animal welfare. Training support for our members in 2024 included 21 members who attended Colloque sur la santé des troupeaux laitiers,



Ferme Panama, Agropur member
Saint-Pierre-Baptiste, Québec



Sophie Neveux

Sustainable Agriculture Manager

“It has been a privilege to collaborate with our members throughout the inaugural year of the Sustainable Farms Program. I am confident that this marks the start of an enriching journey, where dairy producer data is harnessed in impactful and transformative ways. The ongoing success of our Cooperative hinges on our ability to demonstrate measurable advancements in sustainability across our entire value chain.”

and 16 members who participated in Symposium sur les bovins laitiers 2024. Additionally, our team of Cooperative Advisors completes at least 20 hours of training annually to ensure they provide appropriate expertise in milk quality and animal welfare.

We provided support to 15 members and 27 Spanish-speaking employees to receive on-site FIATÉ training in 2024. A collaboration between Agropur and Lactanet allows us to offer these training services — which focus on the integration and support of foreign workers — for our members’ Spanish-speaking employees. Training at the members’ farms focuses on appropriate milking procedures, milk quality and the handling of dairy cattle. We also explained the Cooperative and the support offered to members (e.g., milk quality troubleshooting with the Cooperative Advisor). These five-hour sessions include both theoretical and practical aspects offered by FIATÉ advisor and agronomist Omar Sandoval.

Various webinars and knowledge transfer opportunities were also communicated to our members in 2024.

Agropur is committed to promoting knowledge transfer opportunities for members to encourage the incorporation of best practices in dairy production. Milk quality workshops are among the tools we use to help members achieve their milk quality goals.

In March 2024, two workshops took place with the participation of Agricultural Consultant Don Anderson. A workshop in Sussex, NB, had 14 members in attendance while the other in Truro, NS, offered training to 41 members and industry stakeholders. In addition to discussing milk quality, these training sessions enabled us to remind members of the milk quality services their cooperative could provide.

Codes of Practice

The Codes of Practice are nationally developed guidelines in Canada for the care and handling of different species of farm animals. They are intended to promote sound management and welfare practices through recommendations and requirements for housing, management, transportation and other animal husbandry practices.

The National Farm Animal Care Council (NFACC) and Dairy Farmers of Canada (DFC) released the updated Code of Practice for the Care and Handling of Dairy Cattle in 2023, which came into effect on April 1, 2024.

DFC and their proAction committees have been working diligently to incorporate the new and revised requirements in the Code of Practice into the proAction program since it was published. Agropur is involved in the review of the Animal Care module, representing the processor perspective. This meaningful consultation is important in developing a program that meets expectations along the value chain.

DFC’s proAction Committee determined that a full on-farm pilot was critical to ensure successful implementation (e.g., clear requirements, consistent validation). The on-farm pilot ran from December 2024 to spring 2025. DFC is planning to implement the new and revised requirements in the 2023 Code of Practice via the proAction Animal Care module starting on April 1, 2027.

Measuring our reach

In addition to launching programs and initiatives, measuring the impact of our animal welfare efforts is a priority. In 2024, Cooperative Advisors provided 45 animal welfare interventions to 38 members. Of them, 71% were conducted on-farm.



Production of Natrel Plus
Québec, Québec plant



Jean-François Dubé
Senior Vice President, Operations

“Our operational teams are focused on optimizing our processes and supporting our growth. While efficient use of water and energy is critical to our sustainable development goals, it is just as important to improve our operational efficiency and profitability.”

Better planet

Responsible operations

Agropur’s operational teams strive to do more with less, creating wholesome products that are enjoyed around the world while conserving energy and getting the most from every drop of water we bring into our processing facilities.

We take pride in strengthening our communities through our high-quality, nutritious dairy products. Yet we recognize we can also make important strides for the communities in which we operate through responsible production.

We’ve taken big steps forward and continue to seek innovative, new avenues for improvement.

These are win-win solutions that benefit the planet and our business: using fewer natural resources reduces the costs of our production. Through hard work, problem-solving and dedication, our teams continue to find new ways to maximize the efficiency of our plants. In this section of the report, we will present our efforts as they pertain to energy, water and reducing our GHG emissions.

Agropur's transportation team receives SmartWay certification

Agropur's transportation team in Canada recently passed an important marker on the road to improving our sustainable practices.

Agropur in Canada now has certification through the SmartWay program. All of our transportation carriers as of January 29, 2025 also had certification. Originally initiated by the US Environmental Protection Agency (EPA), SmartWay is a free and voluntary transport partnership that helps businesses move goods efficiently while reducing fuel costs and environmental impact.

More than 3,600 North American companies have joined the partnership. Agropur's US Operations have been part of the program for several years.

SmartWay partners benefit from tools that allow them to track and measure fuel consumption and emissions. This helps identify inefficiencies and implement strategic improvements.

The program helps companies select more efficient freight carriers and transport modes to lower costs. It also helps reduce environmental and public health impacts by accelerating the use of advanced fuel-saving technologies.

"This certification demonstrates our dedication to reducing emissions, improving fuel efficiency and promoting cleaner transportation solutions," said Rob Fenwick, Vice President, Logistics. "It reinforces our promise to provide sustainable and responsible services, which is increasingly important to our customers and partners."

By joining SmartWay, companies become part of a North American network of organizations dedicated to enhancing sustainability. This facilitates the sharing of ideas and initiatives among peers.

Agropur's transportation and procurement teams collaborated to obtain certification in the program, which is managed in Canada by Natural Resources Canada (NRCan).

Agropur plans to benefit from SmartWay by measuring our fuel consumption and emissions to help us reduce our environmental impact and fuel costs. We also look forward to acquiring carrier ratings, which will help us to assess performance and make strategic decisions.

As a member of SmartWay, Agropur is demonstrating our commitment to sustainable practices in transportation.



Better planet

Energy management

Energy management is a key priority for Agropur and simultaneously contributes toward two of our major objectives. We're proud of our progress in reducing energy consumption, which is an important component of our sustainable development efforts. It also makes great business sense and serves our overall goal of improving the efficiency of our operations.

Currently, we use a variety of energy sources: some of our plants are powered with renewable energy sources such as wind, solar and hydropower. Others receive energy from power plants that have not yet transitioned to renewable energy. As signatories of the US Dairy Stewardship Commitment, we take pride in contributing to the industry's goal of net zero emissions or better by 2050 through two major objectives: reducing our energy intensity and increasing our use of renewable energy.

Energy efficiency

Agropur follows Energy Star guidelines for energy management as provided by the US Environmental Protection Agency at all our US plants to help deliver long-term savings. Our team

is committed to finding impactful ways to reduce energy consumption and has been successful in recent years through several methods:

» **LED lighting:** Conversion from fluorescent and HID lighting to LED lighting at our plants has made a significant impact on our energy efficiency. All our US plants have nearly 100% LED lighting, which saves more than 5 million kWh annually, or roughly 2% of our total electricity use.

Our Bedford, Nova Scotia, plant converted all lighting in their production area to LED in 2022, which is saving roughly 1% of the plant's total electricity use;

» **Variable Frequency Drive (VFD) installation:** Motors that were once controlled with a throttling valve or damper are now controlled with a VFD. It's a more efficient way to control the motor as it reduces the pump or fan speed and thereby reduces energy use. Agropur added an additional 950,000 kWh in savings in 2024. Overall, VFDs are saving more than 17 million kWh annually across our US plants, or roughly 5% of our total US electricity use;



Variable Frequency Drive (VFD)
Lake Norden, South Dakota plant

- » **Steam system maintenance:** Our maintenance department conducts steam trap studies and boiler tune-ups every year to ensure our steam systems at each plant are running at peak efficiency. We also completed several steam and condensate projects to further increase efficiency. These combined efforts save roughly 2% of our US natural gas use;
- » **Leak detection:** Compressed air is an important utility in our plants; however, these systems can be quite energy-intensive with leaks leading to 20-30% losses, according to the US Department of Energy. To ensure peak efficiency, Agropur's maintenance teams purchased ultrasonic leak detection guns, which all our plants use to quickly find leaks, make repairs and save on energy waste and associated costs;
- » **Boiler economizers:** Two of our plants in Canada installed boiler economizers in 2024, which have already shown significant savings. Our Notre-Dame-du-Bon-Conseil plant saw a reduction of 487,774 m³/year of CO₂ equivalent (921.6 tons of CO₂ equivalent). In monetary terms, this is expected to save Agropur more than \$157,000 per year. Our Granby plant is now benefitting from both a boiler economizer and recycling of pasteurizer condensate towards the boilers. This has brought a reduction of 522,171 m³/year of CO₂ equivalent (987.0 tons of CO₂ equivalent) and monetary savings of nearly \$157,000 per year.

Renewable energy

More than half of Agropur's energy use in Canada is provided by renewable sources such as solar, hydroelectricity, wind and tidal. Sustainable wastewater treatment technology at our Jerome, Idaho, and Little Chute, Wisconsin, plants aim to reduce organic load, decrease electricity consumption, repurpose waste, reduce emissions and produce a renewable energy stream.

Agropur has launched other initiatives to integrate renewable energy into our operations, including a biogas line at our Luxemburg, Wisconsin, plant which runs from the wastewater treatment plant to the boiler room. One of the boilers was retrofitted with a dual fuel burner to be able to burn both natural gas and biogas, which is created as part of wastewater treatment. The boiler generates steam for the plant on renewable biogas when available.

Our Lake Norden, South Dakota, plant utilizes an anaerobic digester and biogas generation technology as part of its wastewater treatment processes.

Looking ahead

Agropur's plant in Plessisville, Québec will install two boiler economizers in 2025. In coming years, our Québec plants in Beauceville, Notre-Dame-du-Bon-Conseil, Granby and Plessisville will also undergo studies of the technical and economic potential of greenhouse gas emission reduction in

Québec. These detailed studies are required by the Québec government to unlock funds toward GHG reduction projects.

Awards

Our newest plant in Little Chute, Wisconsin was designed with an objective to create the most efficient plant possible through current technologies and best practices. Kaukauna Utilities, a community-owned utility that provides electric service to the plant, has recognized the success of those efforts. The Little Chute plant was honored with the Kaukauna Utilities Energy Efficiency Award in 2024, which recognized the installation of high-efficiency equipment and systems installed at the new plant. These upgrades are projected to save over 16 million kWh annually.

Greenhouse gases

Climate change

Agropur recognizes the risks that climate change presents to the environment and our communities. With unprecedented severe weather events, climate change will directly impact Agropur’s supply chain and the global food system. Agropur recognizes the significant role we play in the value chain, which is why we are aligned with the industry’s commitment to net zero emissions by 2050.

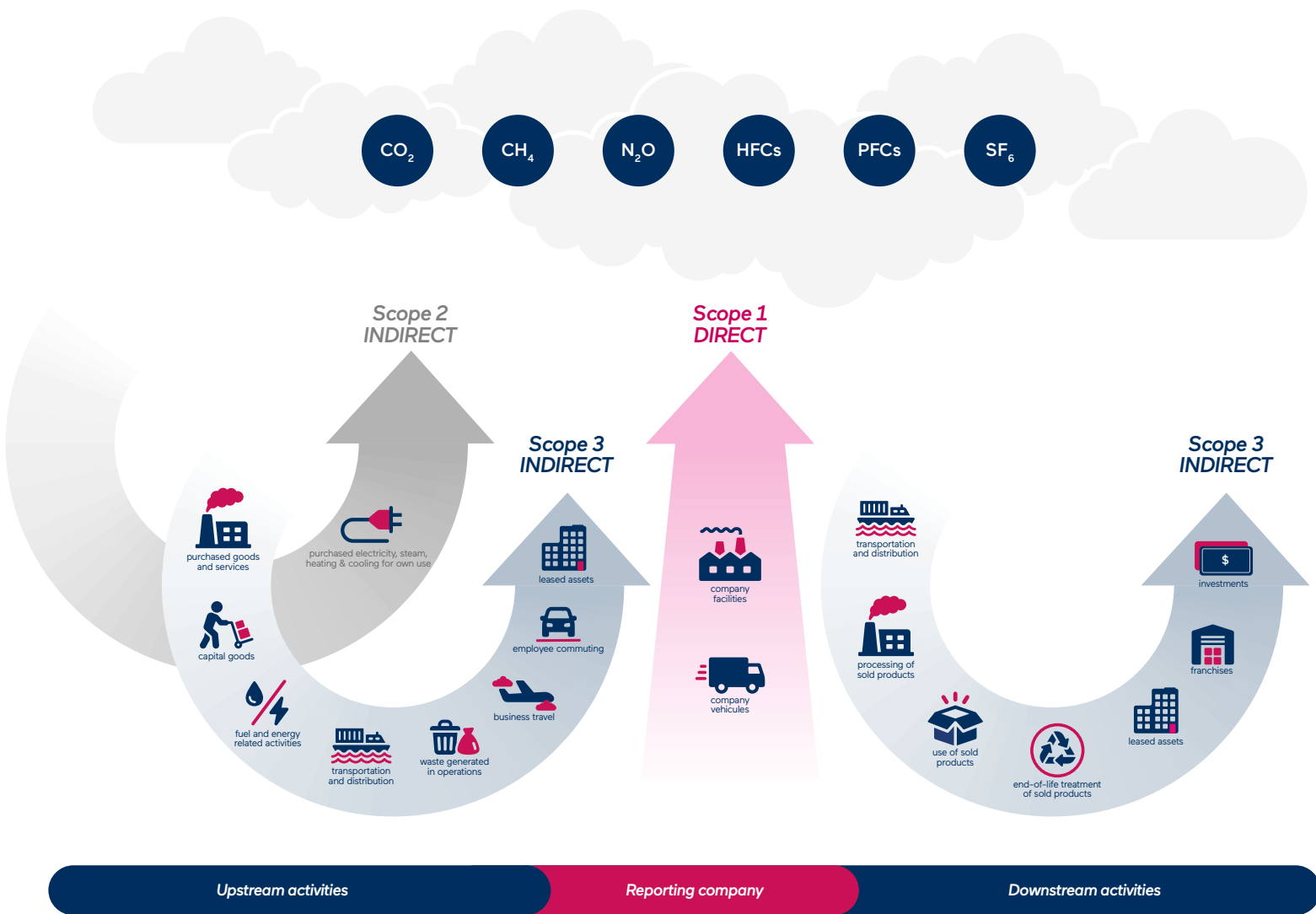
Our targets

The foundation of our targets is based on a thorough review of our GHG emission sources, carried out in 2021¹. Agropur’s emissions are categorized by Scope 1 (emissions from operations that Agropur owns and controls), Scope 2 (indirect emissions associated with electricity and heating and cooling) and Scope 3 (emission sources from our value chain).

In 2023, Agropur published our approved Science Based Targets for GHG emissions reduction. We commit to a 30% reduction of GHG emissions from our Canadian and US plants and a 24% reduction per kg of milk processed in our value chain by 2031 from a FY2019 base year².

¹ Baseline emissions were calculated by KPMG, following the Greenhouse Gas Protocol Standards.

² The target boundary includes biogenic land-related emissions and removals from bioenergy feedstocks.



Source: EPA Scope 1 and Scope 2 Inventory Guidance
<https://www.epa.gov/climateleadership/scope-1-and-scope-2-inventory-guidance>

Our progress

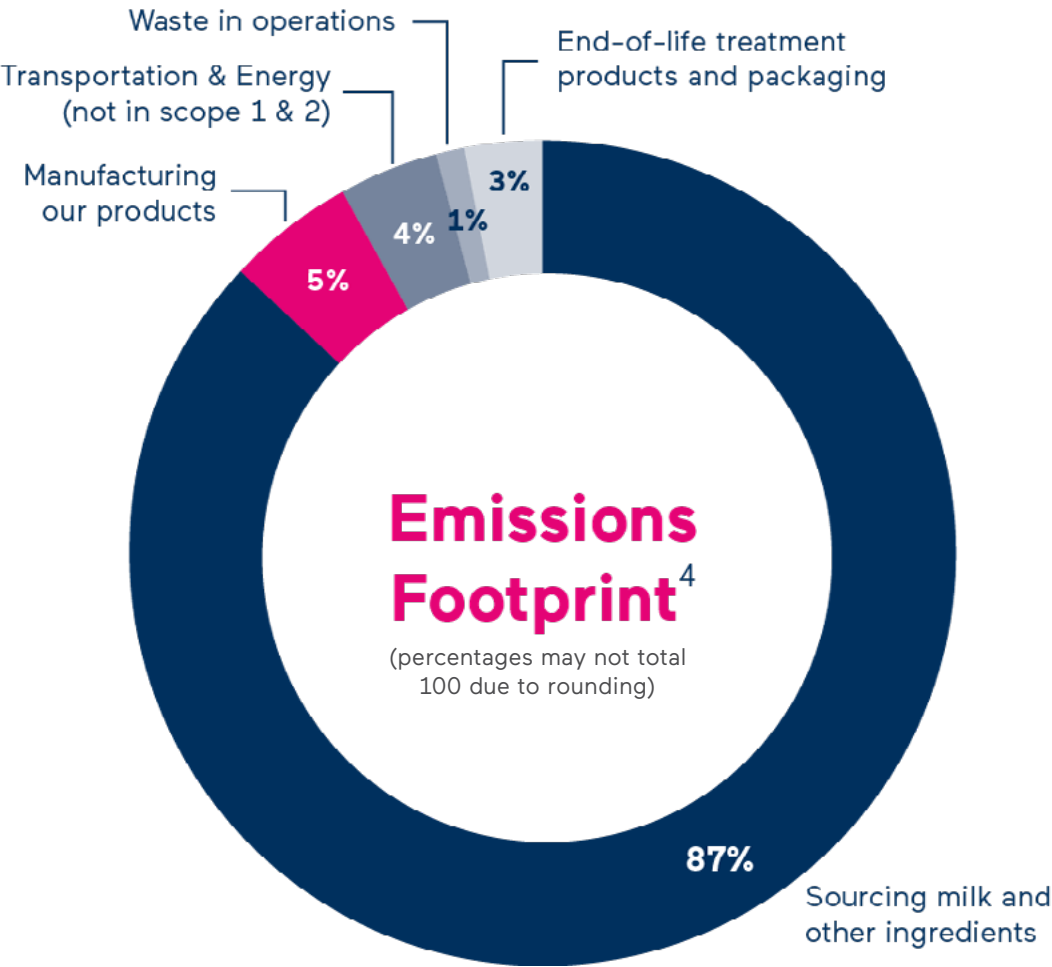
Scope 3 emissions have been a major focus for Agropur, as they account for 95% of our total carbon footprint. To address this, Agropur has been actively collaborating with dairy farmers across the US to enhance the collection of on-farm emissions data. This initiative not only helps in accurately measuring emissions but also ensures that our partner farmers receive recognition for their sustainable practices. These practices are deeply embedded in their operations and will continue to strengthen through collaborative efforts across the entire value chain. By 2024, Agropur has successfully documented emissions footprints for over 182 farms, encompassing more than 360,000 cows and producing nearly 8.5 million pounds of fat- and protein-corrected milk.

Building on this success, Agropur in Canada is actively collaborating with the dairy industry to enhance on-farm data collection and reporting. By leveraging our

Sustainable Farms Program and learnings from US data collection, Agropur is positioned to help the market navigate the complexities of data reporting, ensuring we can meet industry goals of net zero by 2050.

In addition to our on-farm efforts, efficiencies in upstream transportation and waste diversion initiatives driven by our plants have largely contributed to our scope 3 emissions intensity reductions from the baseline year.

Scope 1 and 2 emissions have seen a modest absolute increase since 2019 as Agropur has processed more milk; however, thanks to investments in energy efficiency programs by our facilities, our direct emissions have reduced 7% per kilogram of milk processed since our baseline year. This means our plants are more efficiently processing every drop of milk.



EMISSIONS CATEGORY ¹	2031 TARGET	2019 ²	2020 ²	2021 ²	2022 ²	2023 ²	2024 ²	%CHANGE VS BASELINE
Scopes 1 & 2 (tCO2e) (location-based)	30%	443,823	488,022	446,963	469,737	453,278	449,615	1.3%
Scope 3 SBTi Target Emissions Intensity Boundary Amount (Kg CO2e/kg of milk processed)	24% ³	1.3	1.2	1.2	1.2	1.2	1.2	-5.0%

¹ Consistent with Science Based Target initiative (SBTi), our targets focus on the GHG categories that are material for Agropur: purchased goods and services, fuel-and-energy-related activities, upstream transportation and distribution, waste generated in operations and end of life treatment of sold products, which combined make up 97% of our total emissions.

² Reported emissions for FY 2019, 2020, 2021, 2022, 2023 have been recalculated for improved accuracy in accordance to SBTi guidance and Greenhouse Gas Protocol as we have been able to collect primary data for some US farms, as opposed to using industry Life Cycle Assessments.

³ 24% per kg of milk processed.

⁴ Using Agropur’s 2024 GHG footprint data.

Better planet

Water management

Clean water is critical to Agropur's long-term business success, and we're committed to responsible water management in every Canadian and US community in which we operate. As an ever-evolving business, Agropur regularly invests in water treatment improvements and works closely with stakeholders including environmental groups, provinces, states, municipalities and regional and federal agencies.

Wastewater treatment systems at our facilities have been designed to reflect production capacities and the type of products manufactured. All of our plants are subject to municipal, state or provincial wastewater regulations. Within cities, we must work to meet municipal permit requirements if the water is released to the municipal wastewater facility.

We must work to meet the requirements of certificates of authorization with provinces and states when wastewater is released to the environment.

Our wastewater treatment systems are also designed around the type of permit held.

As a dairy processor, much of our water is used for cleaning equipment, cooling processes and cheese manufacturing processes. Our water specialists and environmental engineers maintain a pipeline of projects and operational process improvement initiatives to strengthen our wastewater treatment.

In 2024, our efforts included the launch of a new module for reporting environmental incidents as part of our information

management system. Better monitoring leads to better performance and it is therefore expected that this reporting system will aid in the prevention and correction of issues.

Agropur also launched a new wastewater key performance indicator called Wastewater Parameters Compliancy Rate, or WPCR, to ensure better monitoring and response. This will help to raise performance and lead to better prioritization.

In the United States, our team managed a series of projects in 2024 to further strengthen our water management.

- » Agropur reached agreements with a leading firm in converting waste into renewable natural gas, which will improve the sustainability of our Wisconsin cheese plants. Among benefits, this relationship is expected to





Ted Winkelman
Director of Environmental
Compliance, US

“We are committed to responsible water management and efficient energy use in every Canadian and US community where we operate. As a continuously evolving business, Agropur regularly invests in renewable energy and water treatment improvements. It is important for our teams to work closely with our community stakeholders to reduce our carbon footprint while enhancing operational efficiency.”

divert 7,500 tons of sludge created at our Luxemburg and Little Chute plants from the landfill. Liquid waste streams including permeate, salt whey and whole whey junk fat will also be options for disposal. Solids from this conversion process are used to create fertilizer;

- » Our Le Sueur, Minnesota plant reduced the sludge it sends to the landfill by 2,160 tons in 2024. The plant added a screw press in 2023 for dewatering, which creates a cake that can be applied to farmland before planting or after harvest;
- » The addition of a screw press at our Little Chute plant in July 2024 reduced sludge hauling loads by 75%, resulting in fewer trucks on the road and a reduction in GHG emissions;
- » Agropur’s Luxemburg plant was able to reduce its phosphorus discharge to stream by 22% in 2024;
- » Use of biogas at our Luxemburg plant resulted in a 6,809 Dth offset of natural gas in 2024, which brought \$40,000 in natural gas savings. Use of biogas in Luxemburg is expected to grow in 2025;

- » Agropur also started a water balance project in Luxemburg, which will be completed in 2025. The project is expected to result in a reduction of 2.2 million gallons of well water use.

In Canada, our continuous improvement efforts will provide for better measures, control and performance of our wastewater moving forward. This work included:

- » Enhanced water meter calibrations;
- » Expanded wastewater sampling. More frequent, better measurements lead to better performance;
- » Optimization of clean-in-place chemicals to reduce negative impacts on wastewater;
- » Process changes to enhance spill containments and responses. These include behaviors, emergency stop buttons and installation of interceptors;
- » A project at our Granby plant to recover milk from the pasteurizer during power outages. Completed in November 2024, this project had a direct positive effect on our chemical oxygen demand levels.

Responsible procurement

Sustainable products require sustainable components. As such, it's important that our suppliers meet our sustainability standards.

Agropur's Procurement and Supplier Relations team plays an important part in our overall sustainability efforts by sourcing goods and services produced in environmentally and socially responsible ways. Our team also creates a positive effect that ripples beyond Agropur by influencing behaviors throughout our supply chain.

This section covers our non-milk supply chain, including capital projects.

Our efforts

Key principles of our procurement standards for non-milk goods and services include health and safety, food safety and quality, environmental sustainability and social practices. Our requirements apply to all purchasing.

For strategic items and services, the procurement team is involved in purchasing decisions and ongoing vendor management.

The CFO is accountable for ensuring the full implementation of Agropur's sourcing policy across the organization. All employees are responsible for complying. We make a positive

contribution to society through a continuous improvement approach in working with our suppliers.

We select our suppliers based on a balanced set of criteria and work to influence them by sharing our ambitions, values, knowledge and best practices.

The Agropur Supplier Code of Conduct sets our expectations of vendors and requires that they uphold human rights standards, fair working conditions and environmental protection.

We also pledge to maintain a business environment based on trust and respect, so that all suppliers and partners can expect a fair, unbiased relationship when dealing with Agropur.

Supplier relationship management program

Agropur implemented a program to effectively develop and manage our relationships with strategic suppliers. This program includes assessments on quality performance, service level, cost efficiency, innovation and risk management. We conduct annual business reviews with our strategic suppliers to build long-lasting partnerships. Working closely with our suppliers allows us to help understand and overcome their challenges.

Spend and supplier strategies

In order to maximize value for Agropur and our customers, any sourcing strategy or project with vendors must focus on inclusiveness, sustainability and risk management.

Leveraging the expertise in our supplier network is key to realizing our business priorities on sustainability. As an example, Agropur is progressing on sustainability projects to reduce water consumption in close collaboration with strategic vendors, enhancing the valorization and recycling of waste streams and optimizing packaging.

Forest products

Among raw materials in our supply chain, palm products receive significant attention from our team. We specifically focus on this area as the production of palm products is often linked to unsustainable practices including deforestation, habitat destruction and poor human rights practices.

We're a member of the Roundtable for Sustainable Palm Oil (RSPO) and all our palm oil purchases for private-label products are RSPO certified. We also work with our fiber suppliers to ensure that all virgin fibers are sourced responsibly. All of our fiber suppliers are required to have an active certification from the Forest Stewardship Council (FSC) or the Sustainable Forest Initiative (SFI). Whenever it's possible, we include post-consumer or post-industrial

recycled content in our fiber packaging and handling materials to reduce our use of virgin fibers.

Packaging

As a food company, we rely on packaging to keep our food products safe. We’ve made significant progress on this front by adhering to circular economy principles.

Packaging is essential to safe and high-quality dairy products, which is why the functionality and quality of our packaging needs to meet the highest standards.

To accomplish this, it is important we understand the source, composition and quality of packaging materials used to protect and transport our finished products.

Agropur produces bulk ingredients for industrial use and packaged products for foodservice or retail.

To this end, we have established a directive on responsible packaging that illustrates our vision, orientation and commitments.

It guides our teams, suppliers and partners in reducing the overall environmental footprint of our packaging to achieve our vision, “Better Dairy. Better World.”

Guidelines on responsible packaging

Responsible packaging guidelines implemented in 2020 promote an optimization and reduction approach at source and contribute to the circular economy.

The responsible packaging guidelines are based on the following principles:

- » Optimal design;
- » Adoption of responsible procurement criteria;
- » Facilitation of end-of-life management.

Agropur promotes packaging that:

- » Meets or exceeds our current quality standards and protects the quality and integrity of our products to avoid waste and food loss;
- » Minimizes use of non-renewable resources;
- » Reduces waste generation;
- » Offers the smallest possible overall environmental footprint, according to recognized standards.



Agropur recognized for sustainable innovations

Some of Agropur's key innovations have not only contributed to our sustainable development goals but also received recognitions in 2024.

Agropur was honored with a 2024 Eurêka! Award in the Agri-Food category by Écotech Québec, the Québec clean technology cluster. The awards celebrate models of energy efficiency, greenhouse gas emission reduction, waste material valorization, water management and more.

Agropur was recognized for its new polymer membrane, which is a groundbreaking innovation in the dairy industry. Developed by Ecofilter Tek, this charge-switching membrane significantly reduces the use of water and chemicals, thus promoting decarbonization and reducing GHG emissions. This technology enhances filtration efficiency while supporting our sustainability goals.

The awards highlight projects that have improved the environmental balance through innovative solutions and clean technologies. Agropur's project was one of 32 finalists in this year's program. Of these, 11 projects received awards. The

winning organizations were chosen by an independent jury composed of representatives from organizations known for their commitment to Québec's green economy.

Agropur was the sole award winner in the "Packaging" category at the 2024 Innovation Gala of the Conseil de la Transformation Alimentaire du Québec (CTAQ). This important distinction recognized our environmental initiatives, which included the elimination of overpackaging, the introduction of a new recyclable film for our Agropur Grand Cheddar and a premium design.

The CTAQ innovation gala is held annually to celebrate food companies who are excelling in innovation. Award winners are selected by a jury of esteemed food industry professionals.

Agropur has been making great progress in the transition to sustainable packaging. In 2024, we also launched fully recyclable films for all the cheese we produce for one of our major private-label customers in Canada. We are working on other initiatives which will come to market over the next few years.

Agropur awarded at the 2024 Innovation Gala in the "Packaging" category





Richard Brattle
Vice President, Procurement

“Agropur’s procurement team is moving beyond implementation to embedding and optimizing our digital tools and processes. By leveraging our ERP system and an agile procurement approach, we are driving sustainable value—enhancing efficiency, strengthening supplier partnerships and advancing responsible sourcing. We continue to develop our ethical procurement, whilst identifying opportunities to develop reusable packaging, and strengthen our supplier codes of conduct to ensure that we create long-term value for both Agropur, our supply chain partners and the communities we serve.”

What’s new

Agropur began implementation of a new procure-to-pay system and supplier portal in 2023 and updated its procurement policy in conjunction with the change. The policy’s purpose is to harmonize and optimize practices for all Agropur employees regarding procurement processes and sourcing strategies.

In 2024, procurement took a variety of additional steps to improve our sustainable practices. These include:

- » Implementation of reusable bunkers to transport cultures in some of our plants. These bunkers are replacing the use of foam boxes;

- » Post-consumer recycled (PCR) content integration. Procurement has identified multiple projects for PCR implementation and suppliers who are ready to proceed once costs become more predictable;
- » Completion of an initiative to replace large cheddar boxes with sustainable film;
- » SmartWay implementation within our logistics network;
- » Work with our suppliers to have Association of Plastic Recyclers-approved labels ready for launch when required by customers. APR Design® for Recyclability Recognition provides third-party validation that a package or packaging component’s design is compatible with the North American recycling system.



Agropur participates in methane reduction challenge

Improving the health of our planet is a journey that will require more than our current base of tools can provide. Agropur's innovative spirit is part of our commitment to sustainability and we're proud of our role in developing new solutions to the critical challenge of climate change.

Agropur is one of 13 semi-finalists in Canada's Agricultural Methane Reduction Challenge. The contest strives to develop scalable and economically viable practices, technologies and processes to reduce enteric methane emissions from cattle.

Methane is a potent greenhouse gas with a global warming potential that is more than 80 times greater than carbon dioxide over a 20-year period.

The \$12 million challenge was launched by Agriculture and Agri-food Canada in November 2023 in partnership with Impact Canada, which is a government-wide effort that uses an innovative funding approach. The challenge uses a staged approach to move innovators through the process of developing and deploying solutions in the cow-calf, dairy and feedlot sectors.

The semi-finalists were announced in July 2024 and moved on to the prototype development stage. Agropur and other semi-finalists continue to advance their solutions. Up to 10 finalists will be selected in spring 2026.

Agropur and its partners are working on an innovative feed strategy for reducing methane emissions using a patented, dry-extruded linseed product as a feed ingredient in the diet of dairy cows. The ingredient, linPRO-R, is manufactured in Canada by O&T Farms and contains linseed, peas and alfalfa. These provide a dietary source of Omega-3 fatty acids. It's commercially available in Canada and already offers great benefit to dairy farmers in supporting animal health, reproduction and efficient milk production.

Agropur is also partnering with researchers from Université Laval, who will conduct an animal trial to measure methane emissions of lactating cattle fed varying levels of the ingredient.

Logiag, a carbon footprint service provider, will help validate the algorithm reflecting the impact of the ingredient on methane emissions.

If successful, Agropur plans to invite members of the cooperative to introduce the ingredient to their herds. We're excited by the potential for a solution that could help dairy farmers reduce their carbon footprints while also improving the health of their herds.



*Ferme Morine, Agropur member
from Coaticook, Québec*



Better communities

Agropur proudly produces delicious, high-quality dairy products that contribute to the well-being of people in many countries. But it's just one way that we bring strength and vitality to our communities.

As Canada's largest dairy cooperative, Agropur directly creates and redistributes wealth back to our dairy farmer members who in turn invest in their communities. Agropur also makes important impacts across each of the Canadian and US communities in which we operate. We strive to take care of our employees, dairy

farmer members, US dairy farmers and partners by honoring our promise of "Better Dairy. Better World."

Our efforts to strengthen our communities take many forms. We do so through donations and sponsorships. We innovate to bring nutritive, high-quality dairy products to the market and exercise diligence to ensure product safety. We also promote the safety and empowerment of our employees, and recognize the value of diversity, equity, inclusion and belonging.



There for our communities

Agropur recognizes the importance of giving forward and serving as an agent of change in the communities in which we operate. Sharing the wealth is key among our values as a cooperative, and we distribute patronage returns to our members who in turn invest in the communities they call home. Agropur and its employees also take great pride in their many efforts to strengthen our ties with the communities in which we operate.

Our donation and sponsorship program highlights our values of cooperation, solidarity and equity as well as our efforts to build a better world. Agropur supports numerous causes in Canada and the United States through donations and sponsorships, employee fundraising and our dairy farmer members’ activities.

While we support many causes across North America, reducing food insecurity has been an ongoing priority and there is still a great need.

The United States experienced a hunger crisis in 2024 with 47.4 million people facing food insecurity, according to the US Department of Agriculture’s Economic Research Service. This was an increase of 3.2 million people from 2022.

The Food Banks Canada 2024 Hunger Count Report highlighted the unprecedented challenge of ensuring all

families have enough to eat. In March 2024, there were more than 2 million visits to Canadian food banks — the highest number in history — representing a 6% increase from 2023, and a 90% increase when compared to 2019.

In 2024, Agropur donated about \$2 million worth of dairy products to food banks across Canada.



The “We Care. We Give.” program enabled our employees and Agropur to contribute about \$320,000 CAD to local charities in 2024. Agropur employees at five US sites and four of our sites in Canada participated. Efforts ranged from internal fundraisers to community

events. Agropur matches the contributions of employees, which doubles the impact for the non-profits we support.

Examples of the impacts made by this program include a donation of more than \$40,000 CAD raised by employees of our Granby, Québec plant and matched by Agropur. Their support went to the Fondation Charles-Bruneau, which aims to end childhood cancer. Agropur and our team in Little Chute, Wisconsin, donated more than \$12,000 CAD for the Leukemia and Lymphoma Society.

Our contributions in 2024 assisted a variety of organizations across North America, including:

- » Fondation Olo, in Québec, which provides nutritional support to pregnant women and young families;
- » Make-A-Wish Foundation - Children’s Dreams Canada, a foundation that helps sick children fulfill their greatest dreams;
- » The Douglas Foundation, a mental health research and care organization.

Agropur also supports a variety of agricultural causes supporting both current farmers and the next generation. These include the Québec Rural Youth Circle and 4-H Clubs in Atlantic Canada and the United States. We contribute to The Mangeons local and Meet Your Farmer open farm events. We also support At the Heart of Agricultural Families, an organization dedicated to farmers’ mental health.

Agropur is proud to contribute to the health and wellbeing of our communities by helping to fight food insecurity with our wholesome and nutritious dairy products. We’re also proud to financially contribute to a variety of other worthy causes in our communities. We believe that together, we can create a better world.

Better communities

Innovating for health

Agropur is dedicated to achieving healthier communities and a healthier planet. For these reasons, we're continually developing new products, methods and solutions in our ongoing pursuit of these important goals.

Our Research, Development & Innovation teams are namely driven by science and make positive impacts toward greater sustainability and better nutrition. Agropur's food scientists and technologists provide strategic expertise to our customers whether as part of new product development or by improving on existing formulations. They also use science and problem-solving to reduce waste and lessen our environmental impact. Our efforts to reduce packaging serve as an example.

Nutrition

Agropur continues efforts to reformulate products following the 2020 development of our Integrated Nutrition approach for dairy product development. In 2024, we modified our cheesemaking approach to launch a lactose-free cheese with another of our major private-label customers in

Canada. Agropur also launched its Natrel coffee creamers, which are lower in fat and sugar than other brands in this category.

Our Natrel Plus vanilla and chocolate varieties have been improved through lower fat levels. We also plan to launch several flavored milk options with lower sugar content in upcoming years.

As a North American leader in whey protein manufacturing, Agropur's experts continue to make strides toward better infant and medical nutrition. Our whey proteins help athletes with strength and recovery and also improve health among the senior population.

Beyond nutrition, we use scientific principles to support Agropur's commitment to sustainable manufacturing. We also continue to explore new ways to extract greater value from dairy byproducts, ensuring we get the most from every drop of milk we process.



Natrel coffee creamer
Agropur product



Protein Research Center
Le Sueur, Minnesota

Our innovators conduct their work from several state-of-the-art facilities, including:

Protein Research Center

Agropur's Protein Research Center in Le Sueur, Minnesota, showcases our technical expertise in analyzing, purifying and commercializing innovative dairy ingredients from milk and whey to help food manufacturers develop new, healthy, dairy-based products. It's the center of our whey protein research, housing state-of-the-art analytical equipment and a complete pilot plant that can mimic commercial unit operations used in whey processing.

With decades of research and a deep understanding of dairy process technology, our food scientists and technologists play a critical role in the commercialization of new ingredients. We develop and validate analytical testing methods for reliable and consistent identification of highly purified whey-derived components. We utilize benchtop and pilot plant equipment to develop and optimize process technologies for manufacturing new innovative ingredients.

Protein Applications Center

Agropur's Protein Applications Center in Eden Prairie, Minnesota, is the product development arm of our ingredients research, development and innovation activities. The team works closely with the Protein Research Center to understand and highlight the functional characteristics of whey-derived ingredients. The product development scientists use their understanding of protein nutrition and creative talents to demonstrate innovative uses of whey proteins and help deliver protein nutrition to the consumer. Our food scientists work closely with manufacturers to identify specific needs, diagnose product development challenges and assist in successful product launches. The center also provides technical interface with academic researchers around the world and supports research activities through knowledge transfer and ingredient samples.

Cheese Technical Services

Agropur’s Cheese Technical Services is located in Appleton, Wisconsin. The department provides technical support for all cheese manufacturing operations in seven facilities across the US. Collaboration of cross-functional teams leads to increased operational efficiency and promotes value-added margin projects for customers. Our team works closely with customers to meet their needs for new and existing products. Customer-driven research and development, such as new product formulation development and line extension support is a critical function of the Cheese Technical group. The cheese applications lab is equipped with a wide variety of kitchen technology to evaluate cheese functionality through its shelf life. The team’s experience is invaluable to our customers in cheese grading and product application development.

Innovation and Product Development Center

Located at our head office in Longueuil, Québec, the 3,720-square-meter (40,000-square-foot) research & development center can create dairy products from laboratory scale to pilot production and small-scale commercial production. In multi-functional teams, the innovation and product development specialists focus on the needs of our consumers and customers for all categories of products (fresh dairy, cheese, butter and ingredients, fine cheeses and frozen products).



Innovation and Product Development Center
Longueuil, Québec

Agropur collaborates in biofuel research project

Agropur strives to get the very most from every drop of milk that enters our plants. As such, we are continually seeking to get more value from the byproducts created in our manufacturing processes.

Agropur recently collaborated on a promising project aimed at valorizing our milk and whey ultrafiltration (UF) permeates. While much of our innovation work focuses on food and nutrition, this research carries the unique aim of transforming these milk components into fuel.

Initiated in 2021, the project set out to accomplish biotransformation of dairy UF permeates by microalgae to produce a biofuel known as biocrude. We collaborated with the Marine Biotechnology Research Center, Innofibre, Innovation Maritime and Greenfield Global with the goal of eventually creating this fuel for maritime transport.

Whey UF permeate is a byproduct created when cheese whey is passed through a membrane that filters out whey proteins. Similarly, milk UF permeate is a byproduct of the ultrafiltration process to remove fat, cream and protein from milk.

Through the first phase of this project, we already:

- » Developed an efficient biotransformation process for milk and whey permeates into microalgal biomass;
- » Demonstrated the possibility of converting this biomass into biocrude with excellent yields;
- » Demonstrated the possibility of using the biocrude directly or as part of a blend with marine fuels for the shipping industry;
- » Produced a preliminary technical and economic analysis of the process.

In our commitment to sustainability, Agropur is incredibly proud to have a role in working toward a renewable alternative to fossil fuels. It's an endeavor that fits our "Better Dairy. Better World." vision in a way that previous generations of our cooperative could have never expected.





Agropur employees
Québec, Québec

Better communities

Product safety and quality

It's Agropur's mission to manufacture safe, high-quality products that meet every expectation of our customers. In our drive to serve as the key dairy partner for the food industry, we must continually deliver on safety and quality. Therefore, these objectives are fundamental to the execution of our operational strategy. We track and trend first-pass quality metrics to promote the continuous improvement required to achieve our quality expectations. This also ensures rapid, efficient intervention when issues arise.

We focus on preventive measures to raise our capabilities. We are working to establish world-class operational excellence in our plants to better ensure safe and compliant dairy products and our sustainability.

In 2024, Agropur conducted a voluntary product recall for milk products manufactured in our St-John's facility (Newfoundland-Labrador) as a precautionary measure, even while there was no food safety risk. This decision underscored our unwavering commitment to maintaining the

highest standards of quality and consumer trust. By proactively addressing potential concerns, we aimed to ensure the continued satisfaction of our customers.

Quality and safety are everyday expectations. Our management team is committed to continuous review of food safety and quality objectives as well as to continuous program improvements. Our quality standards ensure consistent production of safe and high-quality products. They serve as guides throughout all Agropur plants, and every employee has the responsibility to ensure they're followed.

Our top-level commitment to product safety and continuous improvement is shown through our adherence to the current SQF Code — a food safety and quality system—which is audited annually by an independent international agency. We internally establish and review food safety and quality objectives outlined in the Agropur Quality Expectation Manual.

Agropur strives to meet or exceed customer expectations and all regulatory requirements. We adhere to the Canadian Food Inspection Agency, Food and Drug Administration Code of Federal Regulations (21 CFR part 117: Current Good Manufacturing Practice, Hazard Analysis, and Risk-Based Preventive Controls for Human Food) and all provincial and state regulatory requirements.

Employees receive training in Good Manufacturing Practices. It's periodically performed in classroom settings, while everyday training occurs on the production floor.

We encourage employees to ask questions, express concerns and report quality or food safety risks. We provide leaders with executive summary reports of significant quality events to ensure our plant-level food safety culture is supported at the highest levels.

In 2024, we continued to implement key performance indicators, measures and targets in each of our facilities to drive improvement, recognizing the importance of first-pass quality and the cost of non-quality.

We launched key initiatives to raise awareness and share best practices within our operations. We also continued the harmonization of quality standards

between our Canadian and US facilities as part of a three-year roadmap with a robust change management methodology to ensure sustainability.

Agropur is in the midst of a technological transformation that will standardize processes and improve collaboration among our sites. Throughout 2024, our operations teams were able to meet SQF standards even as deployment of a new software continued.

We also identified the need to further improve our performance through a focus site/top cause approach, with strong emphasis on leading indicators to prevent failure in our execution. These strategies will continue in 2025.

Traceability

Agropur maintains traceability through supporting documentation of ingredients received into the plant, point-of-use information, packaging and shipping information. Our traceability protocols in the US and Canada meet government, customer and third-party requirements. Each year, traceability processes are tested at each of Agropur's sites to ensure their accuracy and integrity.



Agropur employee
Québec, Québec

Responding to avian flu in dairy cattle

In the early months of 2024, the discovery of avian flu in US dairy cattle preoccupied the dairy industry across North America. Agropur's team of experts worked with urgency to assess the situation and ensure both safety and the high standards of quality we demand of our products.

Initial reports of a Highly Pathogenic Avian Influenza (HPAI) in dairy cows surfaced in March 2024 in the southern United States. As the news spread, Agropur quickly organized a committee consisting of leaders from several departments to follow the latest developments.

Agropur Chief Scientist Michel Pouliot reached out for the opinions of leading university researchers in the US and Canada.

"The message we received was quite reassuring," Pouliot said. "The virus is sensitive to heat, and when pasteurized, the milk is safe for consumption."

All milk that enters our US plants is pasteurized before processing. Per US Food and Drug Administration (FDA) regulations, milk from ill cattle is prohibited from entering streams for human consumption.

Dr. Pouliot said the many lessons learned during the COVID-19 pandemic provided a good roadmap for Agropur to manage a rapidly changing situation.

Agropur's field teams kept up to date on best practices for prevention and management and respected biosecurity measures when visiting farms. Our scientists also sought information on lessening any potential risks once milk arrived at our plants.

They learned that cleaning procedures already used in our raw milk intake areas were effective in killing the virus, said Julie Audy, Agropur's Food Safety Director. Agropur's US plants still put additional cleaning procedures in place in its milk intake areas as an extra layer of defense.

The safety of our milk supply is a critical priority. The transmission of avian flu to dairy cattle in 2024 demonstrated that our teams stand ready for a rapid response whenever it's necessary.





Agropur employees
Saint-Laurent, Québec

Better communities

Supporting our employees for shared success

One of Agropur’s most important resources is its people. In this section, we highlight our many efforts to meet the needs of our employees and partners by creating a welcoming workplace and safe work environment for all.

Creating a welcoming workplace

Agropur continues to build a diverse, inclusive and engaged workforce. We’ve crafted policies to support our goal of attracting talented employees from across the wide spectrum of perspectives, backgrounds and characteristics in our communities. Our Code of Conduct and policies address ethical behavior as well as diversity, equity and inclusion. They are supported by local guidance to reflect relevant regulations and norms. An understanding of, and connection with, local markets has always been vital to our success. By hiring and developing local talent, we contribute toward the shared success of Agropur and the countries and communities in which we operate. Agropur is committed to maintaining environments of equality,

respect and dignity and we have long implemented policies and programs that support this mission. Harassment may be grounds for discipline, including immediate termination.

Agropur makes reasonable efforts to ensure our community is familiar with our policies and aware that every complaint received will be promptly, thoroughly and impartially investigated. We also work to ensure all cases are resolved appropriately. Agropur will not tolerate retaliation against anyone who complains or participates in an investigation. We offer biennial training for all employees that addresses respect in the workplace.

We also have a whistleblowing hotline that is available to all employees with concerns of serious wrongdoing or other behavior.

Active union members made up about 62% of our Canadian workforce in 2024, or about 43% of our total North American workforce. Agropur uses a variety of market data that may include collective agreements when setting terms of employment for non-union positions.

Being a top employer

Agropur strives to be a top employer in each region we operate. We offer competitive, total rewards packages to attract talented people who are interested in building long-term careers. Agropur offers benefits that support the wellness of employees and their families. Our programs include resources for physical, mental, financial and social health.

Our global wellness offerings generally include:

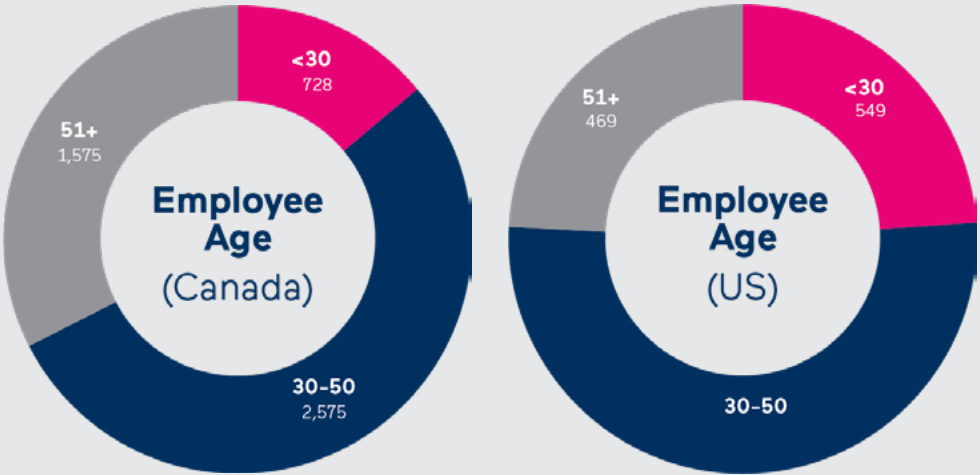
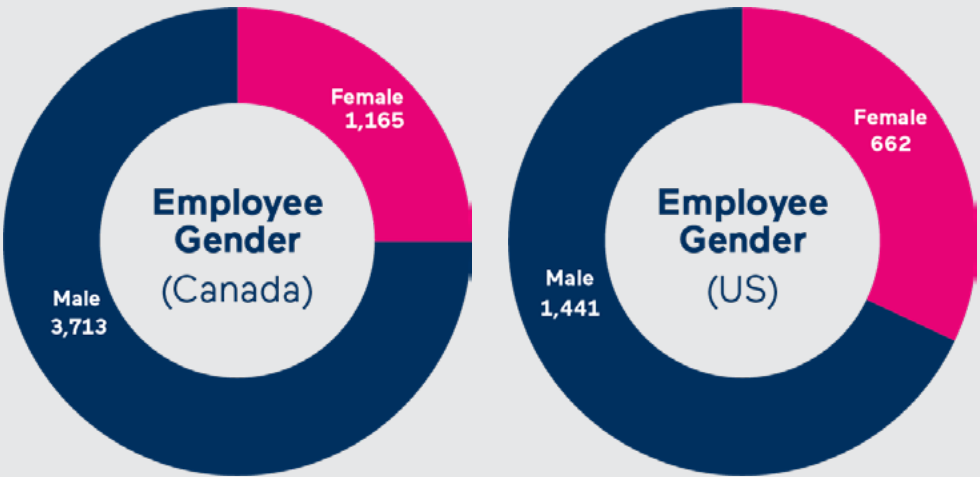
- » Digital wellness platforms that provide resources for building healthy habits and supporting financial wellness;
- » Benefit plans to support the health of employees and their families;
- » An Employee Assistance Program (EAP), with free, 24/7 access to third-party confidential advice and aid for employees and their families;
- » Paid parental leave;
- » Paid and unpaid time off to promote mental health and work/life balance;
- » Educational assistance;
- » Retirement and savings plans to help employees build financial security.

Other wellness programs offered in some regions include:

- » Enhanced coverage for mental health and other healthcare professionals;
- » Access to virtual health care and other on-demand services, like webinars to navigate work and life challenges;
- » Chronic condition management programs to manage and prevent conditions such as diabetes and cardiovascular disease;
- » Support provided to employees facing the emotional and financial challenges associated with eldercare;
- » A phased retirement program. Available to eligible employees ages 55 and older, the program allows a reduction in work hours within three years of full retirement.

New initiatives from 2024 included:

- » Employee compensation statements, which were created for salaried and some hourly employees to provide more visibility to their total rewards and employee value proposition;
- » A new copay medical plan for US employees. This was based on employee feedback and benchmarking and provides for more options and benefit flexibility for our US employees.



New hires (by age)

CANADA	US
<21: 21	<21: 56
21-30: 188	21-30: 198
31-40: 207	31-40: 150
41-50: 138	41-50: 114
51-60: 60	51-60: 48
61+: 20	61+: 15

Meeting employee and business needs

Agropur’s Human Capital team initiated a number of changes in 2024 that will help us better meet the needs of our employees and our business.

We created a talent intelligence team that aims to change human capital practices and become more data driven to better support the business and employees. Their efforts include improved data tracking to empower human capital and business leaders to proactively find actionable trends. Improved reporting and the implementation of dashboards will increase Human Capital’s efficiency and ability to make data-driven decisions.

Changes were also made to our performance management and short-term compensation plan programs to better align with operational excellence and performance culture.

Other efforts included:

- » The roll-out of a leadership development series;
- » Creation of a Labor Relations Center of Excellence;
- » Realignment of our talent acquisition structure;
- » Enhancements to our Employee Service Center that include the addition of a translation service.

Employee engagement

Global employee engagement is a key element to Agropur’s performance. Agropur conducts an annual employee engagement survey which is offered to all employees and provides an assessment of employee opinions and perspectives. Agropur had a participation rate of 79% in its 2024 survey, up 9% from the survey conducted in 2023. The survey resulted in an engagement score of 74%, which is based upon responses that demonstrate employee satisfaction. Agropur’s efforts to increase employee engagement include:

- » Our September recognition month, which is becoming a tradition and a highlight for our employees. With each edition, our teams add new initiatives and thoughtful gestures, making it a shared celebration where appreciation is lived and felt throughout the organization;
- » Initiatives of our Inclusion, Diversity, Equity at Agropur Lives (IDEAL) committee, which aim to help foster belonging among employees;
- » The launch of our leadership development and LIFé and EmpowHER Action programs;
- » Specific action plans based on the needs of each group;
- » A clearer alignment of organizational priorities and a strong emphasis on communication.



Liette Vigneault
Senior Vice President, Human Capital and Communications

“Agropur values a diversity of opinions and we’ve experienced how collaboration of cross-functional teams leads to increased operational efficiency. As such, our efforts including workplace respect remain a key priority as we continue to build a diverse, inclusive and engaged workforce.”



Eric Rasmussen
Director, Loss Prevention

“At Agropur, we work closely with our employees to promote safe work habits and to identify and eliminate risks. We’re proud of that collaboration and the continual improvement it fosters. Our dedication to workplace safety never wavers, because our employees are our most important resource.”

Better communities

Health and safety

At Agropur, we believe the safety of our employees is one of the most important measures of our success. Maintaining a safe and healthy work environment is part of our promise to employees. We consistently instill safe behaviors, promote preventative activities and rely on our employees to comply with our safety rules.

The Agropur Safety Promise requires both employees and non-employees who perform work on behalf of Agropur to eliminate unsafe conditions from their activities and comply with laws and regulations governing occupational health and safety.

We rely on good management and the commitment of employees at all our sites. As such, health and safety must be continually well-managed in all our sites. To do this, we aim to apply the following principles:

- » Standards of excellence relating to occupational health and safety;
- » Compliance with laws and regulations;
- » Healthy working conditions free from hazards;

- » Prevention of accidents and illnesses;
- » Identification and correction of risks;
- » Promotion of safe work habits;
- » Educate for safety (employee and management);
- » Design for safety (reduce introduction of new risks);
- » Continuous monthly trend analysis with actions taken to reduce and mitigate risks.

Incidents and near-miss events are reported, investigated and continually managed through KANVA, Agropur’s information management system. As we monitor trends of all incidents — and thus performance — visibility on execution continues to increase.

In 2024, our business units in Canada and the US continued work toward a shared set of performance indicators, which are used in various levels of reporting and governance and accessible on KANVA. We’ve significantly increased our focus on the performance of leading indicators. Thus, we’ve continued to improve

control of health and safety fundamentals (observing, preventing, training, acting and monitoring) while instilling proactive measurements and leadership.

- » Identifying and monitoring near-miss site objectives across all locations to drive proactive actions before injuries occur, encouraging employees to recognize and address hazards and risks;
- » Increased focus on the quality of root cause analysis for injuries and near-miss related to critical risks;
- » We continued to publish Safety Alerts, Eyes on Safety and Best Practices to share lessons learned across our sites. Those documents are issued through the KANVA platform, expanding our reach throughout the business.

Declining incidents in the United States

In 2024, our US operations had a Total Recordable Incident Rate (TRIR) of 3.53 which represents an improvement of 18% compared to the previous year. Soft tissue injuries such as strains and sprains were the most common type of incident. In our Canadian plants, the TRIR for 2024 was 4.18 which represents an improvement of 13% compared to the previous year.

In the US, all our plants focus on continual improvement, and they’ve created programs that encourage employees to focus on safety. Each of our plants have implemented incentive programs that allow our employees to participate in actions that will improve our safety culture and performance, such as #WHYIWORKSAFE, near-miss reporting, at-home safety activities, etc.

All of Agropur’s US employees are covered by our occupational health and safety management system. Employees have the opportunity to participate in health and safety committees each month. During these meetings, near-miss reports and injuries are discussed along with review of corrective actions and reports on the effectiveness of corrective actions. Employees assist with weekly and monthly safety inspections of the plant work areas as well as emergency equipment (including fire extinguishers, emergency eyewashes and showers, emergency lights, etc.).

Our US accomplishments for 2024 include the Iowa-Illinois Safety Council Hazard Control Recognition Award, which was given to Agropur’s plant in Hull, Iowa.

Increased awareness in Canada

In 2024, we refreshed our safety training library with more interactive training available in multiple languages and delivered in both classroom and e-learning. We continue to educate beyond minimum safety compliance requirements in an effort to build our knowledge base.

We continue to focus on utilizing the KANVA incident reporting system to identify root causes and track corrective actions to completion following incidents reported at our sites. Our list of individuals trained to enter data into KANVA expanded exponentially as we continue to utilize this tool to its full capabilities.

In Canada, we set a goal of increasing safety ownership and empowerment at all levels. Key activities during 2024 included:

- » Active local Joint Health & Safety Committees;

- » All sites identified their top three local health and safety initiatives to reduce risks/dangers and recurrence of accidents/incidents;
- » Some sites continue to conduct safety observations, which include involvement from members of our local Joint Health & Safety committees;
- » Continuation of the Prevention Communication Campaign to educate and inform employees on tools and means to identify and control risks. Campaign themes and communications included contractor management, chemical safety, mobile equipment, traffic management, machine safety and winter plan preparation.

In 2024, our Canadian facilities also continued to increase risk awareness while eliminating or reducing dangerous situations.

- » We continued to conduct systematic audits, both internal and external, which are now fully documented and monitored in KANVA. Combined with these audits, adherence to specific training requirements continues to be reviewed while compliance training sessions are provided in all locations;
- » As for increasing the control of critical risks, the key requirement approach continued in 2024 with a focus on risks identified through analysis of accidents, incidents, and audit results. We increased our focus on racking safety, chemical safety and mobile equipment in 2024 while continuing to monitor other critical risks through the internal and external audit program. We combine this approach with local projects and investments.

Talent development

As we strive to make our “Invest in You” slogan more than just words, Agropur was proud to launch our Leadership Development Program in 2024. This program is designed to help us excel as one and remain focused on accelerating Agropur’s transformation. The program will continue in 2025.

Developed in collaboration with stakeholders across our business, this initiative will engage nearly 980 employees, from supervisors to senior vice presidents, equipping them with the skills, insights, mindset and strategies needed to thrive as leaders in our ever-evolving workplace. Their active participation is crucial to the success of our transformation efforts.

The Leadership Development Program is designed to be a multi-faceted learning approach to support our three transformation pillars—change management, performance management and operational excellence.

It integrates various learning methods:

- » **LeadR Labs:** The core of our leadership development offering, LeadR Labs features close to 100 interactive sessions focused on business priorities. Designed entirely in-house by the Talent Management and Organizational Development team, these five unique

sessions are delivered by our own colleagues and internal experts. So far, participants have given an average satisfaction score of 90% with consistently high engagement;

- » **B-Vision:** This enhanced program combines live sessions, e-learning and hands-on challenges to empower high-potential employees to become effective change agents;
- » **Growthspace:** Our coaching platform provides personalized, live support from expert coaches, tailored to individual and organizational needs. With a data-driven approach, it helps employees strengthen key leadership skills essential for our transformation;
- » **Skillsoft:** After a successful 2023 pilot, Skillsoft has become an integral part of our learning ecosystem. Today, nearly 190 employees benefit from this platform, gaining access to over 180,000 learning resources, including courses, books and videos—all available anytime, anywhere for continuous growth.

The Leadership Development Program is anticipated to be a key driver of our transformation, ensuring that every leader at Agropur has the tools and knowledge needed to navigate change, drive performance and achieve operational excellence. It will ensure that together, we will excel as one.

Agropur Graduate Program and internships

Developing the next generation of employees is also part of Agropur’s sustainability strategy. We support current and graduating students through our Internship and Agropur Graduate programs. Our internships provide students with hands-on experience in their fields of study and include two to three meaningful projects that help our business move forward. The program also gives us the opportunity to discover top-tier talent and invite them to come back and work with us after they graduate. Agropur onboarded 82 interns in 2024.

The Agropur Graduate Program places previous interns and university graduates into key developmental roles where they work through three to four rotations over a two-year period. The program looks to build business acumen and leadership skills. In the US, Agropur hired four recent graduates in 2024.



Better communities

Diversity, Equity, Inclusion and Belonging

At Agropur, we recognize that diversity, equity, inclusion and belonging (DEIB) are key drivers of performance and excellence. By embracing diverse perspectives and fostering an inclusive environment, we strengthen collaboration, drive innovation and enhance our ability to achieve outstanding results.

In 2024, we reinforced this commitment by continuing to foster an environment where every individual feels valued, respected and treated with dignity. Our leadership team remains dedicated to ensuring that these principles are embedded in our policies and daily interactions.

The IDEAL committee continued to play a key role in engaging employees with initiatives that broaden perspectives and foster a sense of belonging. Each of the seven observances chosen by the committee aligns with our values, emphasizing respect and inclusion for all. These carefully selected days provide meaningful opportunities to learn about diverse experiences -- not to spotlight specific groups, but to highlight equality and break down preconceptions across Agropur.

A new edition of our LIFé and EmpowHER programs was created in 2024. This group, LIFé & EmpowHER Action, is open to everyone who is passionate about the promotion of gender equality, women's empowerment and the personal and professional growth of women. LIFé & EmpowHER Action broadens the impact by offering initiatives that engage and benefit all, reinforcing our commitment to an inclusive and supportive environment.

DEIB remains an ongoing conversation at every level of our organization. As we move into 2025, we remain dedicated to fostering inclusion and belonging, knowing that every individual brings unique perspectives and strengths that contribute to our success. By embracing these differences, we will continue to grow, innovate and make a lasting impact as we excel as one.



Better governance

At Agropur, we believe that better governance serves as a foundation for our “Better Dairy. Better World.” promise. We are a cooperative and operate with a democratic structure. It’s our long-term goal to provide benefit to our members for many generations to come. Achieving this aim requires responsible business practices guided by integrity and appropriate safeguards that hold us accountable. In this section, we detail our cooperative governance model and explain how Agropur works to ensure ethical business practices, protect human rights and protect the data and privacy of our customers.



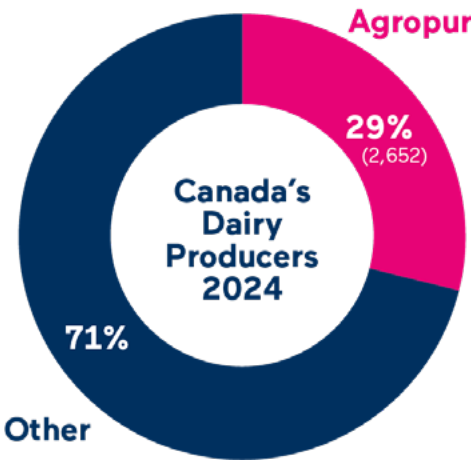
Agropur member
Annual General Meeting



Our cooperative model

Cooperatives are created to meet the economic, cultural or social needs of their members. Agropur members have chosen this type of organization in which they are at the heart of decision-making.

In 2024, the Cooperative had 2,652 members, representing 29% of all Canadian dairy farmers. The Cooperative is also enriched and renewed by the contributions from several hundred other farm partners and young up-and-comers who also share the long-term vision for the benefit of future generations.



Democratic control of members

Within Agropur, members exercise democratic power on the basis of one member, one vote, according to the democratic structure currently in force.

Members are invited to our Regional Meetings, which are the ideal time to receive information that has marked the life of the Cooperative during the financial year.

As provided for in the By-laws, members also elect delegates, at the rate of one delegate per seven members, who will represent them at the Annual General Meeting held in February. It is also during the General Meeting that the delegates elect members of the Board of Directors.

Agropur’s members therefore entrust the management of the commercial and internal affairs of the Cooperative to the board, which is composed of 13 dairy farmer members and three external guest board members.

Democratic structure:

- » 2,652 members
- » 287 delegates
- » 262 facilitators
- » 147 young facilitators
- » 13 elected directors, including a position dedicated to succession
- » 3 guest board members

As has always been our custom, and in line with our values of transparency, openness and democracy, Agropur has consulted Cooperative members once again during the summer of 2024.

The consultation took place as part of the Summer Meeting on June 5, 2024, and culminated at the Special General Meeting in February 2025.

All members were invited to take part in the consultation, which focused on important pillars of our democracy. The

purpose was to obtain opinions on certain topics, which will then be used by the Board of Directors to guide their decisions and prepare new strategies.

Economic participation of members

Agropur members participate in the capitalization of the Cooperative, and it’s one of the most important features of our cooperative model. Members are expected to contribute equitably to the capital of the cooperative they control.

Each member must invest minimum capital at the time of membership. Subsequently, the cooperative distributes a portion of its surpluses to members in the form of rebates proportional to their transactions with the cooperative. These returns are applied to each member’s name in the form of investment shares, which are later redeemed at the discretion of the Board of Directors.

As surpluses are paid in proportion to the volume of milk delivered by every dairy farmer member, they participate in financing the operations. This creates a strong sense of belonging toward Agropur.

In the past, this original capital organization structure was one of the main vectors of growth for the Cooperative. But above all, Agropur stands out with a formula that values the work of its members and ensures a long-term vision.

Autonomy and independence

For Agropur, its members’ level of involvement represents a strength and contributes to its sustainability. The future of the Cooperative therefore rests on the care and accountability of its members.

The Board of Directors has two main functions which are to direct and monitor the Cooperative’s affairs. To maximize its efficiency, the board delegates some responsibilities to committees they’ve created. These committees allow for more in-depth discussions on certain topics. Each committee has three or four directors elected from among the members and one or two external guest members. In 2024, the committees met 27 times:

- | | |
|--|--|
| » Cooperation Committee:
3 meetings | » Sustainable Development Committee:
4 meetings |
| » Audit Committee:
4 meetings | » Governance Committee:
6 meetings |
| » Human Capital Committee:
5 meetings | » Technology Committee:
5 meetings |

Board committees report their discussions and decisions to the full Board. At the Annual General Meeting (AGM), the Board and management report on the year’s activities and invite delegates to make decisions on matters that fall within the purview of the meeting.

Education, training and information

Several forums, communications tools and meetings allow for constant exchange between members and Agropur management. In doing so, members actively participate in the direction of the Cooperative.

The Annual General Meeting is a flagship moment of cooperative democracy. However, Agropur does not limit itself to the AGM and offers several opportunities to bring together delegates and also members.

Apart from the more formal framework imposed by the AGM, other meetings and webinars on the associative life calendar allow us to inform members of our business environment and other issues.

Democracy at Agropur therefore lies in the vitality of its associative life. This way of proceeding makes it easier to debate substantive issues.

If some occasionally express disagreement, these debates have the merit of moving all members forward on common issues.

For Agropur, the participation of members, delegates and directors is the keystone in establishing major positions and making decisions.

Associative life, therefore, constitutes the framework which allows its democratic structure to take place throughout the year. Its development is based on solid foundations anchored in its history and cooperative genetics.

- » 25 local member Regional Meetings and 1 national webinar;
- » 1 hybrid Annual General Meeting;
- » 7 regional summer facilitator meetings;
- » 1 informative webinar;
- » 2 training sessions, managing milk quality;
- » 6 newsletters;
- » Weekly communication on the Members’ Extranet, by email and post.



Agropur member
Annual General Meeting

Support for the cooperative environment

Agropur has a role to play in making its members, employees and the public aware of the principles and merits of cooperation.

This is a notion that distinguishes the Cooperative from other forms of commercial enterprise. It reflects our desire to shape a better, more equitable future for all.

Alone, however, Agropur would not succeed in achieving this ideal. This is why it has entered agreements and collaborates with other organizations to promote the cooperative model. Agropur is committed to supporting the cooperative movement by collaborating through local, national, regional and international structures.

For example, thanks to its international commitment to the Society for International Development Cooperation, SOCODEVI, Agropur supports the cooperative movement in several sectors of the economy elsewhere in the world, notably the agri-food industry.



Agropur has been a partner of SOCODEVI since the organization was created in 1985, thus putting its cooperative and industrial experience to good use in various developing countries.

Historical assessment of Agropur’s commitment within SOCODEVI



By-law proposals highlight Agropur's democratic process

While Agropur shares much in common with other large dairy processing organizations, the participation of our dairy farmer members and the democratic power they wield are among key factors that set us apart.

These important components of the cooperative model were illustrated throughout 2024 as Agropur set forth to modify its general by-law.

The governance committee of Agropur's Board of Directors began work in 2022 to recommend changes aimed at modernizing the by-law, a set of rules and directives that governs the Cooperative's operation. The by-law is an important tool for Agropur and is designed to ensure efficient, transparent and equitable governance, while meeting the needs and expectations of our members.

Recent proposals aimed to create more efficient governance, strengthen democratic life and update certain practices. In 2024, Agropur equipped our members with information and provided opportunities to share their viewpoints before these modifications went up for a vote.

Agropur provided members with the reasoning behind suggested modifications to the by-law. A key step took place in June 2024 when the Board of Directors held a consultation with members during the summer meeting to gather their opinions. This step ensured that proposals reflected the specific needs and expectations of members.

A booklet providing an overview of the suggested changes was distributed in advance of our November Regional Meetings, so that members would be well equipped to ask questions and submit proposals.

Following discussions at Regional Meetings in fall, delegates received the final draft of the by-law amendments in preparation for the Annual and Special General Meeting. Votes on the amendments were cast at the meeting held in February 2025.

It was a lengthy and deliberative process, but for good reason. The involvement of our members is far more than a formality when it comes to matters as important as our by-law. Agropur was created to meet the needs of our members. Their participation, therefore, is essential to ensuring the sound governance of our cooperative.





Better governance

Responsible business

Agropur is committed to acting in a clear, honest and fair manner in all our business relationships. It is reflected in the high ethical and professional standards we have set for both our employees and our partners.

In our industry, we rely on a variety of experts, partners and suppliers to accomplish our mission. To honor this commitment, we seek partners with integrity and transparency. Our Supplier Code of Conduct serves as one example. We put our skills and resources to work to ensure their satisfaction.

Ethical and responsible business conduct

Agropur launched an updated Code of Ethics in 2024 that is intended to ensure that our team demonstrates integrity, honesty and professionalism. The code sets forth several responsibilities for our employees when conducting their work. These include compliance with

the law, avoiding conflicts of interest and reporting ethical violations.

Our objective is to reinforce trust with all our stakeholders, which include our members, employees, consumers, customers, partners and society as a whole.

Our words and deeds shape our culture. All employees must be able to give their best and contribute to Agropur’s success in a climate of trust. This code applies to all Agropur employees in every role and location.

Agropur relies on five corporate values — boldness, communication, integrity, excellence and collaboration — that support our mission and help us achieve our business objectives. They are embedded in all our actions and in every decision. The way we apply them day by day is what differentiates Agropur and strengthens our relationships of trust.

Anti-corruption and anti-collusion practices

We are committed to respecting the law and engaging in healthy competition. Agropur takes a vigilant stance on corruption. Agropur condemns all anti-competitive practices and collusion. Agropur's Code of Ethics prohibits bribes, collusion, favoritism, price fixing, false expense accounts, kickbacks, secret deals that distort competition, etc. Our employees must be vigilant at all times in order to avoid and report any attempts at corruption, collusion or bid rigging.

Agropur employees are committed to identifying and disclosing all corruption-related situations. We mandate that employees analyze direct or indirect financial interests that may come into play while engaging with external entities.

We created our Ethics Reporting Hotline to promote and establish a formal, confidential and anonymous process through which complaints and concerns can be reported without fear of reprisal.

Responsible taxation

Paying our fair share of global taxes is part of Agropur's duty as a responsible corporate citizen. Agropur is a tax-compliant entity that submits tax filings in accordance with Canadian and US laws, and other international regulations in which we operate. Agropur's approach to tax aligns with our high ethical standards on integrity and transparency. Our collaborative in-house tax team interacts at global and national levels to partner in business transactions. They are supported by external advisors and committed to ongoing professional development. Our corporate governance

framework mitigates tax risks created by business operations. We act with integrity, respect, professionalism and a collaborative spirit to establish trust, and proactively engage to seek tax certainty. We are represented through industry bodies in the development of tax laws. We apply arm's length principles in the pricing of transactions of goods and services in accordance with Organization of Economic and Cooperative Development (OECD) guidelines.

Responsible lobbying

We are committed to providing accurate, reliable and relevant information to our partners in terms of communications, lobbying, handling confidential information and respecting the lobbying laws currently in force.



Better governance

Human rights

Agropur’s business operation recognizes our critical obligation toward the protection of human rights, and we exercise ethical behavior in all our affairs. We abide by all federal, provincial and state guidelines. Agropur also undergoes regular Sedex Members Ethical Trade Audits. It is one of the most highly recognized responsible supply chain audit methodologies in the world, covering a broad base of issues including labor rights, health and safety, as well as environmental and business ethics.

Agropur follows two primary frameworks that address human rights: the Ethical Trading Initiative base code and the United Nations Guiding Principles on Business and Human Rights.

These globally recognized principles are based on three pillars:

- 1. The state’s duty to protect the population from human rights abuse by private actors, including business enterprises;
- 2. Corporate responsibility to respect human rights, including the exercise of due diligence; and
- 3. The responsibility of states and business enterprises to ensure those affected by human rights abuses have access to an effective remedy.

Ethical trading initiative (ETI) base code

ETI Base Code is an internationally recognized set of labor standards based on International Labor Organization (ILO) conventions that highlights nine areas of focus:



Employment is freely chosen



Freedom of association and the right to collective bargaining are respected



Working conditions are safe and hygienic



Child labor shall not be used



Living wages are paid



Working hours are not excessive



No discrimination is practiced



Regular employment is provided



No harsh or inhumane treatment is allowed

ETI Base Code. Ethical Trading Initiative. https://www.ethicaltrade.org/sites/default/files/shared_resources/eti_base_code_english.pdf



Better governance

Data protection and privacy

In our digital age, data is among the most valuable assets held by any business. It's a fact that is all too often demonstrated by criminals who rely on sophisticated schemes in their attempts to obtain sensitive information. At Agropur, we continually assess and work to improve upon safeguards to protect our employees and customers.

Our commitment to the privacy and security of personal information is outlined in our comprehensive privacy policy. Agropur conducted a complete review of the policy in 2023 and distributed it to all of its employees.

The main objective of the policy is to ensure responsible and transparent management of the collection, use and retention of personal information. It was developed in a global context aimed at strengthening the protection of personal information.

We have clear governance and a roadmap to comply with Québec's provincial Act to modernize legislative provisions regarding the protection of personal

information (Law 25). Passed in 2021, this law primarily aimed to modernize the *Personal Information Protection Act* in the private sector. It's the most comprehensive and toughest privacy protection law in North America. We intend to use Law 25 as the standard for our entire organization, both in Canada and the United States. We continue to regularly monitor legislative changes in both countries.

Agropur additionally has security measures in place to attempt to protect against the loss, misuse and alteration of user data that is under our control. In all cases, information is retained in secure facilities, protected from unauthorized access and kept only for as long as it is reasonably required.

Only authorized employees have access to the information, and authorization is limited to purposes described in our policy. Agropur's Protection of Personal Information Policy is published on our website and can be found here: <https://www.agropur.com/en/privacy-policy>



Conclusion

As a dairy cooperative, Agropur has maintained focus on environmental, social and governance issues from our very beginnings. A sense of community drives the cooperative model, which is based on solidarity, democracy and the pooling of resources. Furthermore, our dairy farmer members have always recognized that producing high-quality milk requires proper stewardship of the land and respect for animal welfare.

In these contexts, we recognize our responsibility as it comes to sustainable development. As one of North America's largest dairy processors, Agropur embraces the expectations that we serve as an agent of change and recognizes that collaborating with our partners is essential to achieving our common goals. In 2024, Agropur maintained its momentum and made additional

progress toward our goals of a Better Planet, Better Communities and Better Governance.

Our Sustainable Farms Program graduated from a pilot effort in 2024 and served 91 of our members in its initial cycle. This program will allow Agropur to build a database of key performance indicators for sustainable agriculture. Through the program, we will measure members' progress in regard to sustainability, support continuous improvement and have the ability to promote results to our customers and consumers.

Agropur continued to do its part to alleviate food insecurity in 2024 through the donation of about \$2 million worth of dairy products to Canadian food banks. Internally, we developed a new Leadership Development Program to provide members of our team

with the tools they will need to thrive as leaders in our ever-evolving workplace.

Our dairy farmer members fulfilled their democratic duties in 2024 through deliberation and votes on important changes to our by-laws. We also launched an updated Code of Ethics that is intended to ensure that our team always demonstrates integrity, honesty and professionalism.

At Agropur, we're proud of our achievements while mindful that there is still plenty of work to accomplish as it pertains to ESG issues. Holding steadfast to our cooperative principles, we're committed to tackling these challenges as part of our promise: "Better Dairy. Better World."

Appendices

Content index and reporting indicators

Agropur referenced both the Global Reporting initiative’s Sustainability Reporting Standards (GRI Core Standards) and the US Dairy Stewardship Commitment - Dairy Processor Handbook (November 2020) to develop a comprehensive report on the topics considered to be the most relevant within the dairy industry and for its stakeholders. The following content index identifies key topic areas from both frameworks and the location of associated disclosures within the report.

GLOBAL REPORTING INITIATIVE (GRI) INDICATORS	US DAIRY STEWARDSHIP COMMITMENT INDICATORS	REFERENCE
GRI Social Disclosures		
2-22 Statement on sustainable development strategy		Message from the President and CEO, p.4-5; A word from the sponsor of our sustainable development strategy, p.6-7
2-24 Embedding policy commitments		Responsible procurement, p. 33-34; Supporting our employees for shared success, p. 47-49; Responsible business, p. 59-60
2-25 Processes to remediate negative impacts		Responsible procurement, p. 33-34; Supporting our employees for shared success, p. 47-49; Responsible business, p. 59-60
2-26 Mechanisms for seeking advice and raising concerns		Supporting our employees for shared success, p. 47-49; Responsible business, p. 59-60
2-28 Membership associations		Our ESG approach, p. 13; Our Dairy Network, p. 15; Responsible procurement, p. 33-34; Conclusion, p. 63
2-29 Approach to stakeholder engagement		Our Dairy Network, p. 15; Supporting our employees for shared success, p. 47-49; Responsible business, p. 59-60; Diversity, equity, inclusion and belonging, p. 53
102-1 Name of the organization		About Agropur, p. 8
102-2 Activities, brands, products and services		Business-to-business relations, p. 10
102-3 Location of headquarters		About Agropur, p. 8
102-4 Location of operations		Our Workplaces, p. 9
102-5 Ownership and legal form		Our history, p. 11; Our cooperative model, p. 55-57
102-6 Markets served		Business-to-business relations, p. 10
102-7 Scale of the organization		About Agropur, p. 8
102-8 Information on employees and other workers		About Agropur, p.8; Supporting our employees for shared success, p. 47-49
102-9 Supply Chain		Supporting our dairy farmers, p. 19; Responsible procurement, p. 33-34
102-10 Significant changes to the organization and its supply chain		No significant changes
102-11 Precautionary principle or approach		Included in the Quality Assurance measures
102-12 External initiatives		Our ESG approach, p.13; There for our communities, p. 39

GLOBAL REPORTING INITIATIVE (GRI) INDICATORS	US DAIRY STEWARDSHIP COMMITMENT INDICATORS	REFERENCE
102-13 Membership of associations		Our ESG approach, p.13; Our dairy network, p. 15
102-14 Statement from senior decision-maker		Message from the President and CEO, p.4-5; A word from the sponsor of our sustainable development strategy, p.6-7
102-16 Values, principles, standards and norms of behavior		Better governance, p. 54-62
102-17 Mechanisms for advice and concerns about ethics		Anti-corruption and anti-collusion practices, p.60
102-18 Governance structure		Our governance structure, p. 12; Our history, p.11; Our cooperative model, p. 55-56
102-20 Executive level responsibility for economic, environmental and social topics		Our governance structure, p. 12
102-42 Identifying and selecting stakeholders		Our ESG approach, p. 13; This topic is fully addressed in the 2020 Sustainability Report.
102-43 Approach to stakeholder engagement		Our ESG approach, p. 14; This topic is fully addressed in the 2020 Sustainability Report.
102-44 Key topics and concerns raised		Our ESG approach, p. 14; This topic is fully addressed in the 2020 Sustainability Report.
102-40 List of stakeholder groups		Our dairy network, p. 15
102-41 Collective bargaining agreements		Supporting our employees for shared success, p. 47-49
102-46 Defining report content and topic boundaries		This topic is fully addressed in the 2020 Sustainability Report
102-47 List of material topics		Our ESG approach, p. 13
102-50 Reporting period		About this report, p.3
102-51 Date of most recent report		About this report, p.3
102-52 Reporting cycle		About this report, p.3
102-53 Contact point for questions regarding the report		About this report, p.3
102-54 Claims of reporting in accordance with GRI Standards		About this report, p.3
102-55 GRI Content Index		Appendices, p. 64-65
GRI Economic Disclosures		
201-1 Direct economic value generated and distributed		About Agropur, p. 8
204: Procurement Practices		Responsible procurement, p 33-34
207: Tax		Responsible taxation, p. 60
GRI Social Disclosures – Products & Customers		
416-1 Assessment of health and safety impacts of product and service categories	Product Responsibility	
	Food safety	High-quality milk, p.19; Product safety and quality, p. 44-45
	Traceability	High-quality milk, p.19; Traceability, p. 45; Product safety and quality, p. 44-45
418 Customer Privacy Disclosures		Data protection and privacy, p. 62

GLOBAL REPORTING INITIATIVE (GRI) INDICATORS	US DAIRY STEWARDSHIP COMMITMENT INDICATORS	REFERENCE
GRI Environmental Disclosures	Environmental Responsibility	
302 Energy	Energy Use	Energy management, p. 27-28
305 GHG Emissions	Greenhouse Gas Emissions	Greenhouse gases, p. 29-30
303 Water withdrawal	Water Management	Water management, p. 31-32
306 Effluents and waste		Water management, p.31-32; Packaging, p.34
301 Materials	Resource Recovery	Packaging, p. 34
308 Supplier Environmental Assessment		Supporting our dairy farmers, p. 19-20; Responsible procurement, p.33-36
GRI Social Disclosures - Employment	Workforce Development	
	Human Resources - Total FTEs	About Agropur, p.8; Supporting our employees for shared success, p. 47-49
401-2 Benefits provided to FTEs	Employee benefits	Supporting our employees for shared success, p. 47-49
403-6 Promotion of worker health		Be a top employer, p. 48
	Employee retention	Supporting our employees for shared success, p. 47-49
403-9 Work-related injuries	Worker safety	Health and Safety, p. 50-51
401 Employment Engagement	Employee engagement	Employee engagement, p. 49
405 Diversity and Equal Opportunity		Diversity, equity, inclusion and belonging, p. 53
404-2 Programs for upgrading employee skills and transition assistance programs		Talent development, p. 52
404-3 Percentage of employees receiving regular performance reviews		Talent development, p. 52
408 Child labor		Human rights, p. 61
419 Forced or compulsory labor		Human rights, p. 61
416-2 Incidents of non-compliance concerning the health and safety impacts of products and services		Product safety and quality, p. 44-45
	Community Contributions	
	Community Volunteering	Not applicable in 2024
	Monetary and Product Donations	There for our communities, p. 39
	Educational Opportunities	Not applicable in 2024
	Product Contributions	There for our communities, p. 39