



Granlatte

9
GRANAROLO
GROUP

THE FIRST ITALIAN-OWNED DAIRY COOPERATIVE GROUP

History and challenges for the future

ICAO General Assembly - Rome July 10, 2024

The Granlatte logo features a stylized white wave icon above the word "Granlatte" in a white serif font.

OUR COOPERATIVE HISTORY

1957 GRANAROLO'S BIRTH

In 1957 the **Consorzio Bolognese Produttori Latte (CBPL)**, soon to be known as 'la Granarolo', was born. The Consorzio Bolognese de Fabricantes Latte is one of the first experiences of producers committed not only to the collection but also to the processing and marketing of milk.



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1964 THE NEW FACTORY IN BOLOGNA

Laying of the foundation stone of the
Bologna factory



1972 CERPL: THE FIRST ITALIAN UNITARY CONSORTIUM

Granarolo (member of Legacoop) and the cooperative Felsinea Latte (member of Confcooperative) join forces to create a bigger reality: CERPL (Consorzio Emiliano-Romagnolo Produttori Latte), the first unitary consortium set up in Italy.



1980 GRANAROLO IS GROWING

The growth of the 1970s was consolidated in the following decade with a series of acquisitions throughout the country: in Modena (Dilat), Foggia (Daunia Natura), Anzio (Sogeccla), Novara (Latte Verbano) and Versilia (Centrale del Latte di Camaiore).



1991 LUCIANO SITA PRESIDENCY

1991

Luciano Sita, manager and co-operator, among the founders of Conad, is appointed president. He will remain in office until 2009.



1992 HIGH QUALITY MILK PROJECT



Granarolo is the first company in Italy to launch the High Quality Fresh Milk on the market. It will be **the first fresh milk in the world to obtain a registered Environmental Product Declaration (EPD)** to measure the environmental impacts of the entire production chain.

High quality milk will be followed by market launches of organic milk and probiotics.

1993-1999 CHANGE THE BUSINESS STRUCTURE: COOPERATIVE + SPA



The process of corporate restructuring begins, which will reshape the Group's architecture, following two fundamental principles: on the one hand, to **entrust the production and commercial activities, the brands and the ownership of the plants to a limited company (spa in italian)**; on the other hand, to **concentrate the organisation of the social base and the supply of milk and the ownership of the S.p.A. in the consortium.**

The cooperative consortium, which took the name of **Granlatte**, thus created the joint stock company Granarolo-Felsinea S.p.A., which later became **Granarolo S.p.A.**, to which it transferred all its industrial and commercial assets with full control. Moreover, in these years (1999), the shareholders' meeting of Granarolo S.p.A. decided on a capital increase which allowed the public merchant bank Itainvest S.p.A. (later to become Sviluppo Italia and then Invitalia) to become a shareholder of the company.

2000-2002 THE GROWTH BY ACQUISITION CONTINUES



Granarolo wins the tender for the privatisation of **Centrale del Latte Milano**. Granarolo acquires the production and commercial branch of **Centrale del Latte di Viterbo** and 50% of **Calabrialatte S.p.A.**, leader in the fresh milk market in Calabria.

The process of diversification of the business begins with the acquisition of 100% of the shares of **Vogliazzi Specialità Gastronomiche S.p.A.** and the creation of **Agriok S.p.A.**, a company that will manage an e-procurement portal dedicated to agricultural services.

In 2002, the Board of Directors of Granarolo decided to incorporate the subsidiaries Centrale del Latte Milano, **Dilat and Alto Lazio** into the parent company, thus simplifying the Group's corporate architecture. The following year, **Sviluppo Italia (now Invitalia)** withdraws from the shareholding and the corresponding part of the share capital is bought back by Granlatte.

2004 YOMO BECOMES A GRANAROLO BRAND

The Yomo Group joins the Granarolo Group. In June, the Court of Pavia authorises the admission of the companies of the Lombard group to the concordato preventivo procedure.

This implies the green light for the 6-year lease of the companies **Yomo, Pettinicchio, Merlo and Leo Marven System in Yogolat**, the new company specially set up by Granarolo to manage the operation.



2005 INTESA SANPAOLO S.P.A. BECOME A GRANAROLO SHAREHOLDER



Banca Intesa, now Intesa Sanpaolo S.p.A., enters into the Granarolo shareholding team, thanks to the **agreement signed in connection with the rescue of the Yomo Group** and concerns the financial coverage of the operation. Intesa subscribes to a capital increase of about 70 million euro, thus acquiring a 19.8% stake. As a result of the completion of the operation, two representatives of the banking institution join the Board of Directors of Granarolo.

With the acquisition of Yomo, the **Centro Experimental de la Leche (CSL)**, a company that is part of the Yomo galaxy, also enters Granarolo's corporate orbit, with the aim of enhancing scientific studies and applications on lactic ferments and moulds for the improvement of dairy, agro-zootechnical and pharmaceutical products. CSL was **sold to the Sacco Group in 2013**.

2008 INTERNATIONAL SOLIDARITY PROJECTS

Granarolo is among the promoters, together with CEFA Onlus, of the Africa Milk Project, an international cooperation project for self-development that aims to create a real milk supply chain around a small dairy factory located in one of the poorest districts of Tanzania - the Njombe Milk Factory.



2009 GRANAROLO HAS A NEW PRESIDENT: GIANPIERO CALZOLARI

THE PRESIDENT OF GRANAROLO CHANGES: LUCIANO SITA, IN OFFICE SINCE 1991, LEAVES AND GIANPIERO CALZOLARI, FORMER PRESIDENT OF GRANLATTE AND LEGACOOOP BOLOGNA, TAKES THE ROLE.



2010 GRANAROLO LOGISTICS BECOMES INDEPENDENT

Zeroquattro S.r.l. is born, an integrated logistics services company with a specific, but not exclusive, vocation for the transport and distribution of fresh food products, managed in a refrigerated chain, from 0° to 4°C.



2011 THE INTERNATIONALISATION PLAN

Granarolo S.p.A.
124.183 follower
1m • Modificato • 

 Granarolo S.p.A y [#GranaroloIberica](#)
llegan a **Alimentaria Barcelona** con una
explosión de sabores! ...vedi altro
[Vedi traduzione](#)



Granarolo Iberica S.L. is born, the first branch of a company dedicated to foreign trade, with the mission of distributing food products in Spain.

With the creation of this subsidiary, **Granarolo inaugurates its strategic internationalisation plan**, also through local subsidiaries, based on four main pillars: dimensional growth, diversification of products, markets and countries.

The Italian dairy company **Lat Bri**, the third largest producer of **fresh cheeses** in Italy, is also acquired, allowing Granarolo to increase its presence in the fresh cheese sector and the range of products offered on the market.

2012 GRANAROLO ENTERS THE SEASONED CHEESE SECTOR



Granarolo acquires **Ferruccio Podda**, a Sardinian company with 60 years of history and a PDO of excellent quality, a Pecorino cheese that has won many awards (including the Crete Senesi Prize).

Casearia Podda is created, **a purpose-built company 65% controlled by Granarolo**, which represents the Group's entry into mature cheeses, in particular PDO, representing the excellence of Made in Italy, a fundamental step from a foreign development perspective.

Lattami - la Banca del Latte Materno Donato of Bologna is born, the non-profit project promoted in collaboration with the Policlinico di Sant'Orsola of Bologna to donate human milk to premature and hospitalised babies in neonatal intensive care, which will also be expanded in the following years in the Major Hospital of Bologna, the Policlinico of Ferrara and the Hospital of Parma.

2013 THE INTERNATIONALISATION PLAN CONTINUES



Granarolo acquires the French dairy group **CIPF Codipal**, which belongs to the holding Compagnie du Forum SAS, an established French operator active in the production and distribution of fresh and cured cheeses under the **brands Casa Azzurra, Les Fromagers de Ste Colombe and Les Fromagers de St. Omer.**

The acquisition of CIPF Codipal is of great importance in the context of the internationalisation and export strategy of Italian products, already highly appreciated and in constant diffusion across borders.

This operation launches Granarolo International, the company to which all the Group's international activities will belong.

At the end of the year, **Granarolo UK** was created to export cheese to the United Kingdom and Ireland.

On the Italian front, a partnership was signed with **Amalattea S.p.A.**, one of the largest Italian operators in the production and marketing of goat's milk and derivatives.

2014

THE FIRST BILLION

The Group closed 2014 with a turnover of more than one billion euros.

Granarolo signs a partnership with **Vivartia Group**, which owns the largest Greek dairy producer Delta Foods S.A., for the distribution of Greek yoghurts and cheeses in Italy.

The Group's international growth is becoming increasingly important, as evidenced by its presence at the main international food fairs in **South Africa, Brazil, the United States, Great Britain, Australia, France and the opening of its first commercial branch in Shanghai, China.**

Granarolo wins the Italian Pavilion's call to represent the Italian milk supply chain at **Expo Milano 2015**, as a partner of the Italian Pavilion.

The **Pinzani farm**, which for over 45 years has specialised in the production of pecorino with "raw milk", is acquired.

2015 EXPO AND GENNARI

Granarolo announces the agreement with **Gennari S.p.A., a Parma-based company with a long tradition in the production of Parmigiano Reggiano, Grana Padano and Prosciutto crudo di Parma**, and the creation of Granarolo Chile S.p.A., the first platform to approach the South American market, with a cheese production plant.

The **Granarolo 100% Vegetal** brand is launched, marking Granarolo's entry into the vegetable products market.

From 1 May to 31 October, at Expo Milano 2015, Granarolo represents the Italian milk supply chain as a partner of Padiglione Italia, registering more than 510,000 visitors from over 30 nations.

Africa Milk Project is selected, first among 800 projects, as Best Practice by the Expo Commission 2015 in the category "Sustainable development of small rural communities in marginal areas".

2015 INTERNATIONALISATION CONTINUES

On the domestic front, Granarolo acquired the historic **Pastificio Granarolo**, which produces and markets egg pasta and semolina, an operation that is part of the Group's product diversification and internationalisation strategy. Abroad, through the subsidiary Granarolo International, 51% of **European Foods Ltd.**, the main importer and distributor of Made in Italy products in New Zealand, and 60% of **Yema Distribuidora de Alimentos Ltda**, a company with two plants specialised in the production and marketing of dairy products in Brazil, were acquired.

Then **the two Market del Fresco Buon Casale del Fresco shops in Gioia del Colle (BA)** and Bologna were inaugurated, free service shops selling fresh produce to employees, consumers and Ho.Re.Ca. operators at affordable prices in the name of sustainability, to reduce product waste in the short term. This will be followed in 2017 by the opening of a third shop in Modena, then transferred to Castelfranco.

An agreement is signed with BCUBE - one of the leading international Integrated Logistics operators with Italian capital - for the acquisition of a stake in Zeroquattro Logistica, a Group company focused on the management of logistics activities in the food sector.

2016 NEW ACQUISITIONS

In February, the partners Granarolo S.p.A. and Cooperare S.p.A. carried out a capital increase of 14 million euro to finance new acquisitions on foreign markets.

During the year Granarolo International acquires: the **Estonian** company **Vinaio OÜ, based in Tallinn and renamed Granarolo Baltics OÜ**, which operates in the dairy product marketing sector and in the import of quality Italian products on the Estonian market; **50% of Matric Italgross AB, a Swedish company** distributing leading Italian brands; 60% of Comarsa SA, a company distributing Food Made in Italy products in **Switzerland**, the fourth largest export market for Italian dairy products in Europe. The **New Zealand** company **European Food Ltd.** is taken over by Granarolo International and **Granarolo USA** is formed.

2017 NEW ACQUISITIONS

CDP Group underwrites a €60 million bond issued by Granarolo. The initiative contributes to the financing of Granarolo's **new 2016-2019 industrial plan**, a project aimed at implementing the company's overseas expansion strategy.

Granarolo France S.A.S. is set up for the French market, the second largest after Italy, and capital is increased thanks to Simest, a company which, together with SACE, constitutes the CDP Group's export and internationalisation hub.

Granarolo **acquires Allfood**, the leading importer and distributor of typical European products in **Brazil**, with a factory, **Quality Brands International SA**, a **major Greek distributor**, which will become **Granarolo Greece**, and increases the shareholding of the **Swiss** distributor **Comarsa Commercio Alimentari SA**, which will be renamed **Granarolo Suisse**.

In the national context, **Granarolo acquires 24% of Venchiaredo S.p.A.**, a Friulian dairy specialised in the production of stracchino (in 2019 it will increase to 72%) and increases its 100% stake in Conbio. Local milk producers enter Granlatte



2018 NEW ACQUISITION



Granarolo acquires **Midland Food Group**, with headquarters in London and two distribution platforms between Birmingham (where there is also production) and Basingstoke, €70 million in revenues and 224 employees. Granarolo can thus count on two major centres in Europe: one in France (the second largest market after Italy with revenues exceeding 150 million) and one in the UK (destined to become the third largest).

2018 CERTIFIED ANIMAL WELFARE



Throughout the year Granarolo, in the context of its strategic plan, **certified all its farms on animal welfare** through a third party (CSQA Certification DTP 122 - Cert. N° 53446). Launched in 2017, the programme saw the evaluation of all certified stables through 90 specific animal welfare indicators in breeding.

2019 COMMITMENT, INNOVATION AND SUSTAINABILITY



Granarolo is one of the promoters of **Agrofood Business Innovation Center**, a multi-company accelerator created to promote promising and innovative start-ups in the food&beverage and agro-industrial sectors.

Granarolo **renews its commitment to sustainability** by announcing three 2019-2021 targets:

1. more animal welfare accompanied by more careful management of the use of medicines in the barn;
2. move away from plastic with a reduction target of -3787 t CO2 equivalent in 3 years;
3. an anti-shortage plan in synergy with institutions, customers and consumers aimed at freeing fresh milk from the 6-day + 1-day shelf-life regulation.

2021 B2C E-COMMERCE AND IN THE INTERNATIONAL MARKETPLACE



Granarolo decides to invest in B2C e-commerce in many cities in northern and central Italy.

It acquires 100% of Mulino Formaggio, 100% of Granarolo UK, **Granarolo lands in the United States by acquiring Calabro Cheese** and consolidates its position in the PDO markets by acquiring the historic Piedmontese **gorgonzola** producer **Mario Costa**.

At the same time, **Granarolo Sustainable Transition** is being launched, a major plan involving the **supply chain of dairy partners** and aiming to reduce greenhouse gases by 30% for every kg of milk produced by 2030.

2022 NEW ACQUISITIONS, NEW PROJECTS, NEW MILK



Granarolo acquires 60% of Industria Laticini G. Cuomo S.r.l., a historic family business in Agro Pontino (LT) with a long dairy tradition, for over 110 years focused on the production of mozzarella, ricotta and cow's milk cheeses,

On the sustainability front, the Group and the Confederation of Grinders are launching "Chain Biomethane", a project with a view to sustainability and circular economy that will see the realisation of 10 new biomethane plants within 3 years, with the aim of obtaining clean energy from agricultural and agro-industrial by-products, with an estimated 30 million mc per year of biomethane by 2025,

New at Granlatte, where Isaia Puddu, with a long experience in the dairy sector and having held positions of responsibility within the cooperative world, has been appointed as the new General Manager.

2023 NEW PRESIDENCY IN GRANLATTE, TESTIMONIALS, AFRICA



Simona Caselli, a long-standing and experienced cooperator also involved in the agri-food sector, has been appointed as the **new President of Granlatte**, replacing Gianpiero Calzolari, who remains President of Granarolo S.p.A.



Granarolo chooses **Gregorio Paltrinieri**, world and Olympic champion swimmer, as his **testimonial**.

Granarolo joins **CEFA onlus**, the Bolognese NGO founded by Senator Bersani, as a **partner** after two decades of synergistic work together in Tanzania and Mozambique.

Granlatte



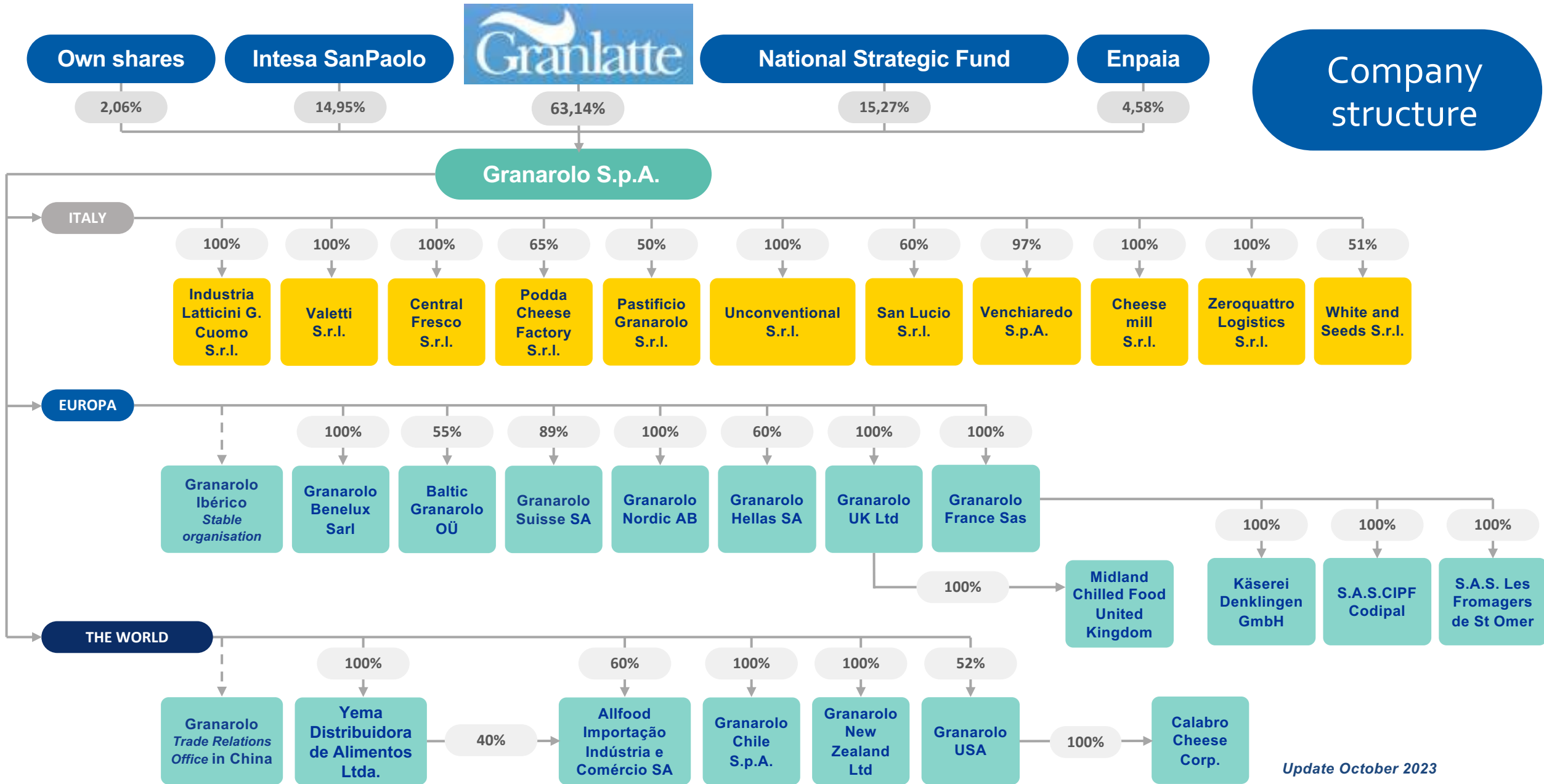
**THE GROUP
TODAY**

2023 THE CAPITAL INCREASE AND A NEW STRATEGIC PLAN

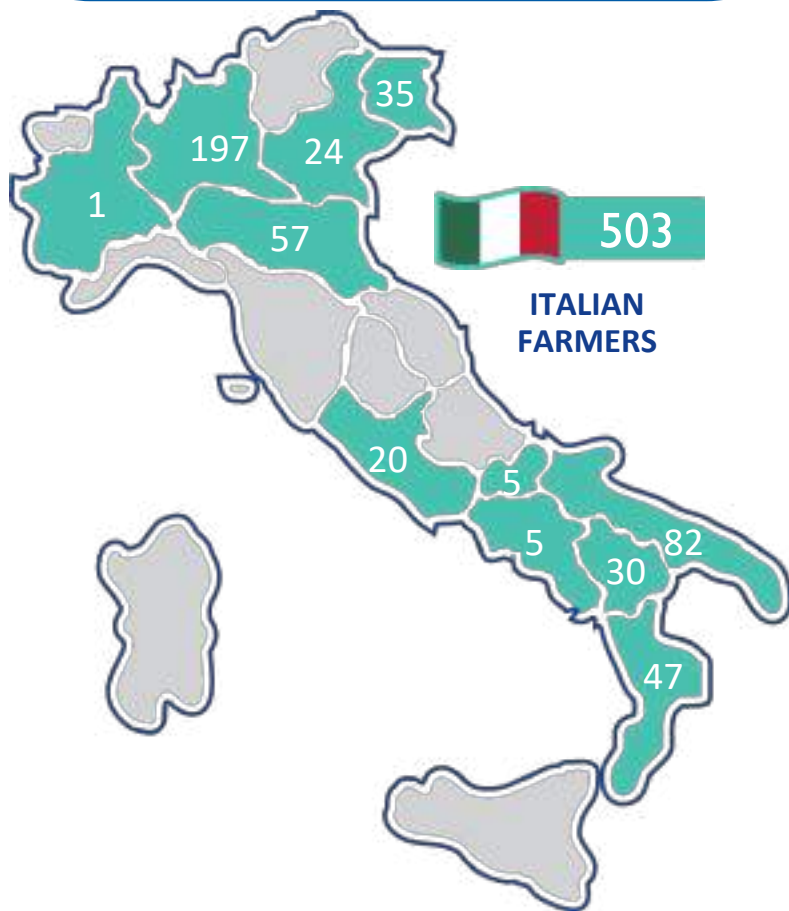
In October, Granarolo's Board of Directors approved the **2024-2027 strategic plan which foresees investments of more than 300 million euros** mainly in projects aimed at sustainable growth to achieve a significant increase in turnover in the plan.

The approval of the plan follows the **€160 million capital increase**, which saw the simultaneous entry into the shareholding of the Patrimonio Relancio - Fondo Nazionale Strategico (FNS), managed by Cassa Depositi e Prestiti (CDP) and the Ente Nazionale di Previdenza per i Avvocati e i Avvocati in Agricoltura (ENPAIA).





Granlatte - Granarolo dairy chain in 2023



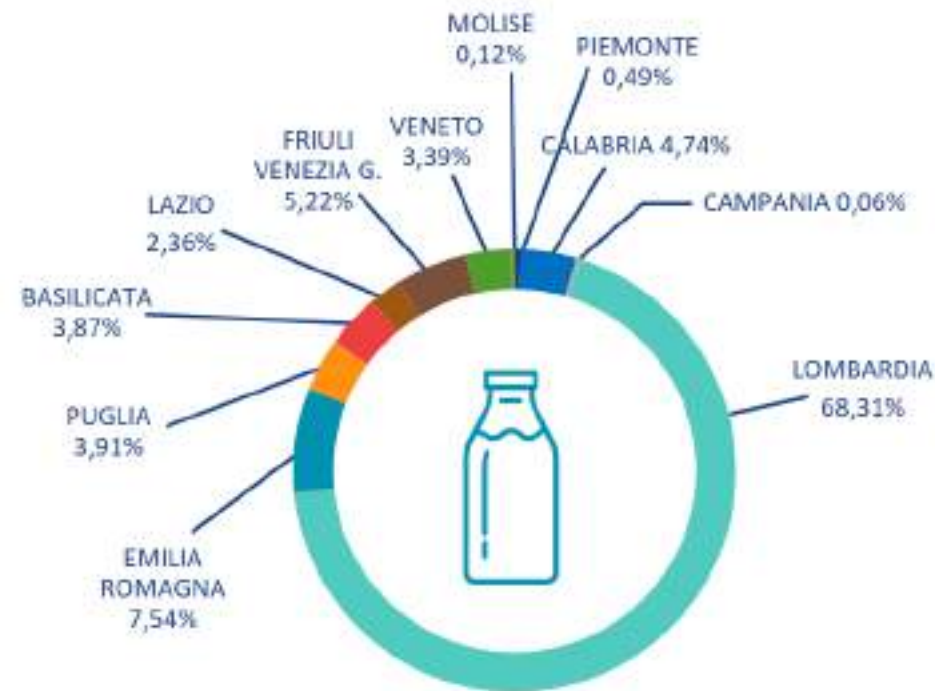
Our chain consists of **503 farmers** and **6 cooperatives**.



Our milk comes from small and large family farms.



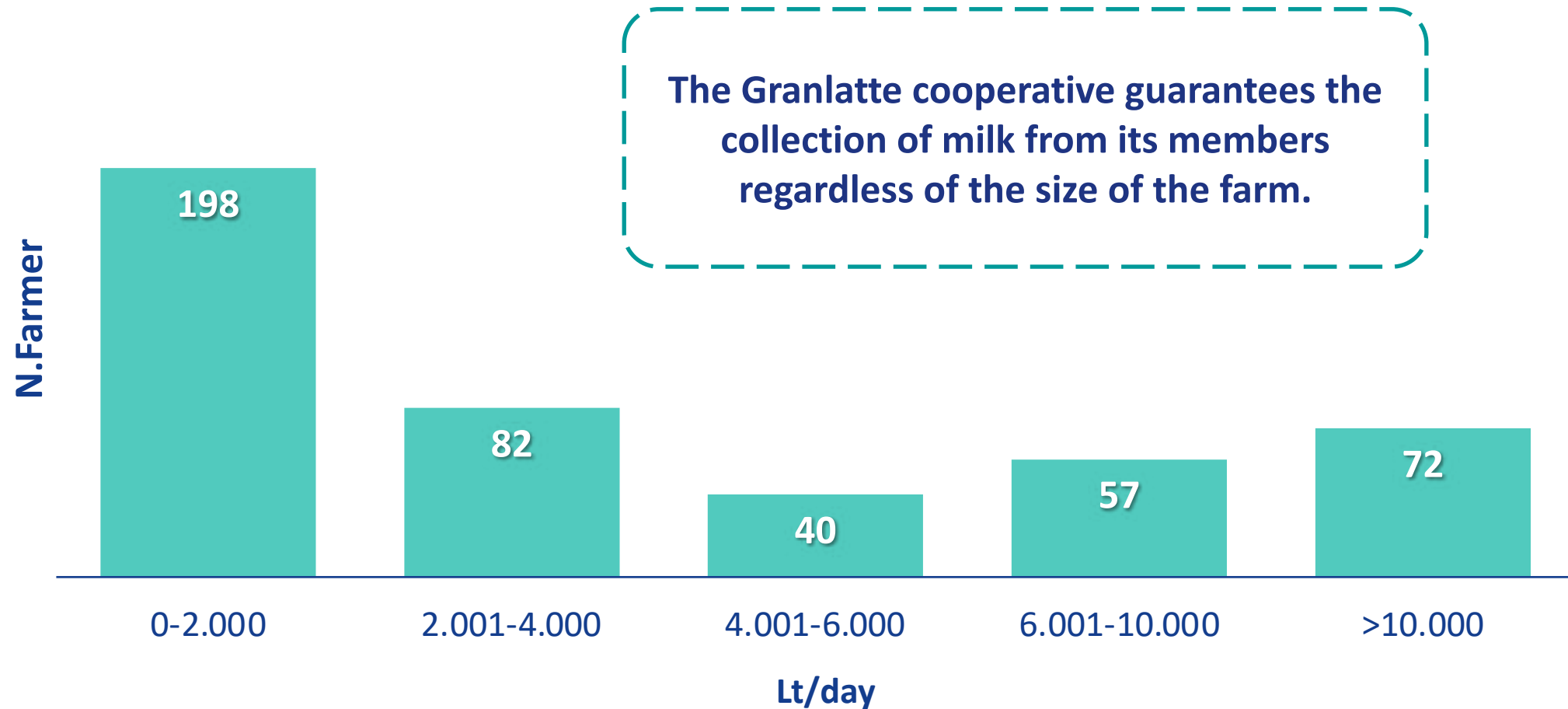
The Granlatte cooperative has **154 sub-members**.



8,867,956 HI of milk collected in 2023

Milk delivered by farmers, by region

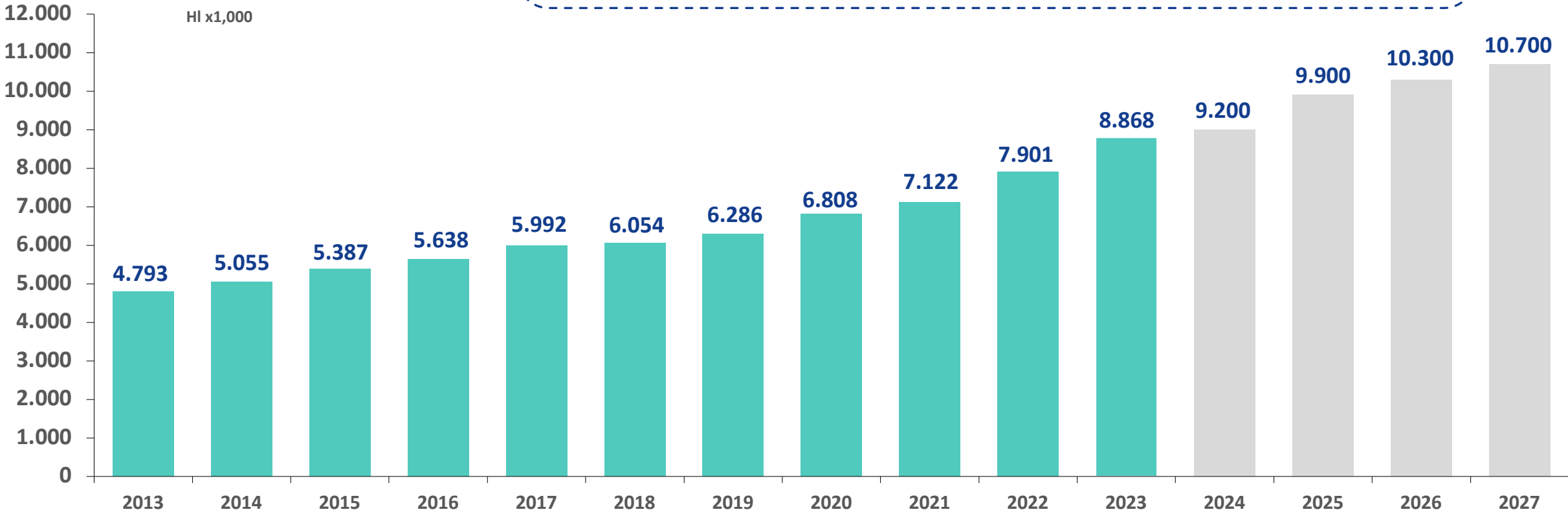
Number of holdings per daily production interval



Milk collected (Hl.x1,000)



In 10 years, the volume of milk has doubled and this has been possible because the Cooperative helps its farmer members and the entire membership base to grow in volume.
Granarolo Spa also guarantees the sale of milk on the food market.



Production production 2023

**GRANAROLO, IN ITALY, OPERATES THROUGH
13 PRODUCTION PLANTS**



THERE ARE A TOTAL OF 9 PRODUCTION SITES

OF WHICH 2 IN FRANCE, 1 IN THE UNITED KINGDOM, 1 IN GERMANY, 3 IN BRAZIL, 1 IN NEW ZEALAND AND 1 IN THE USA. THE GROUP'S PRODUCTS ARE PRESENT NOT ONLY IN ITALY, BUT ALSO IN FOREIGN MARKETS IN EUROPE AND THE REST OF THE WORLD.



Financial highlights

Year 2023

REVENUE

1.617

Mln / Euro

EBITDA

94

Mln / Euro

NFP

178

Mln / Euro

EBIT

32

Mln / Euro

NET PROFIT

9

Mln / Euro

EQUITY

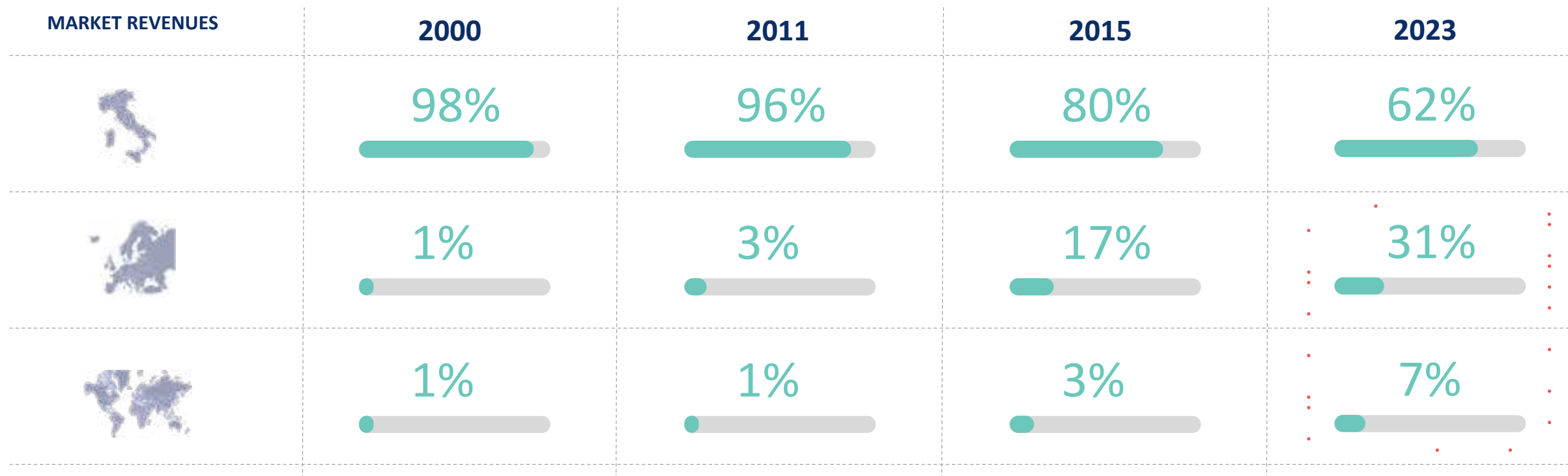
363

Mln / Euro

- Gruppo Granarolo consolidated balance sheet
- IAS/IFRS accounting principles net of the application of IFRS Principle 16

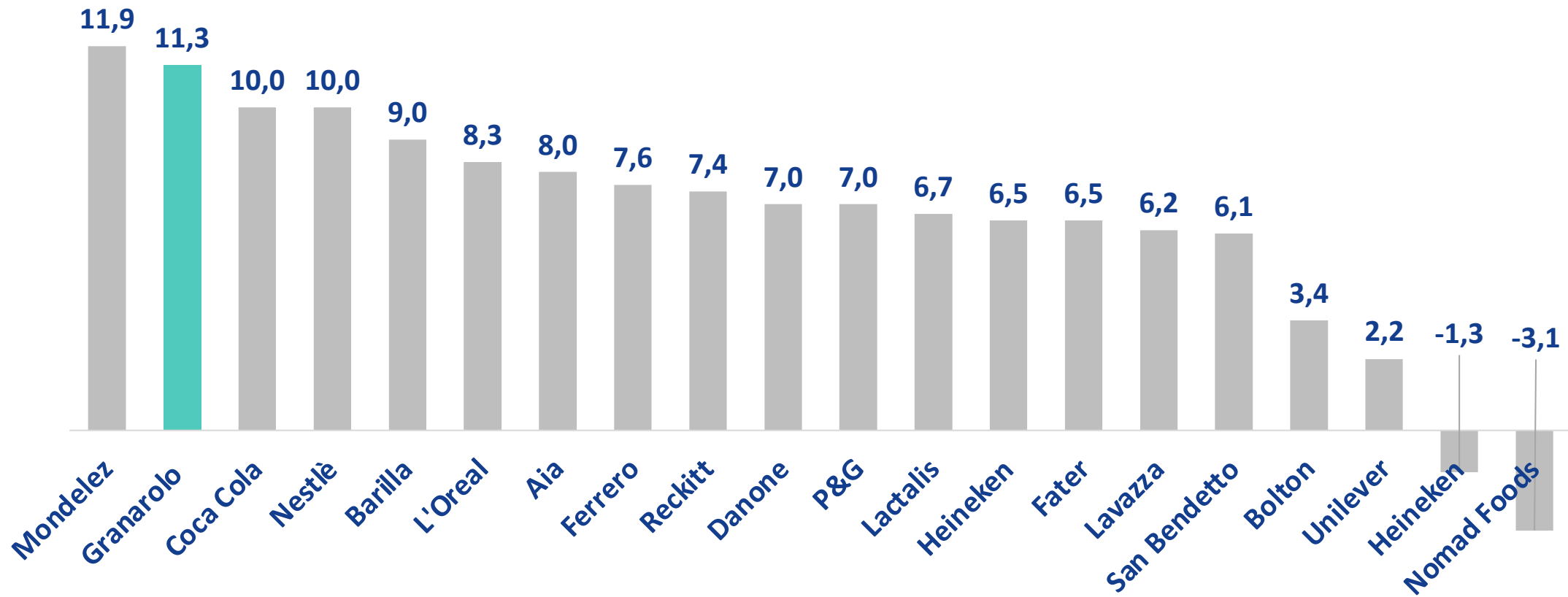
The internationalisation

GRANAROLO'S REVENUES HAVE TRIPLED IN THE LAST 23 YEARS; STRONG DRIVE TOWARDS INTERNATIONALISATION TO EUROPE AND THE REST OF THE WORLD



Granlatte Group Granarolo ranks first in growth among top 20 consumer packaged goods companies

Trend Value % vs. p.a. YTD 31 Dec. 2023



Granarolo: positioning in the main markets

Italy's leading dairy group with a recent expansion in the international market, recognised as:

1st contributor to the growth of the dairy market

1st player in the standard milk market

1st player in organic milk market

1st brand in the protein-rich cheese market

2nd brand in the fresh cheese market

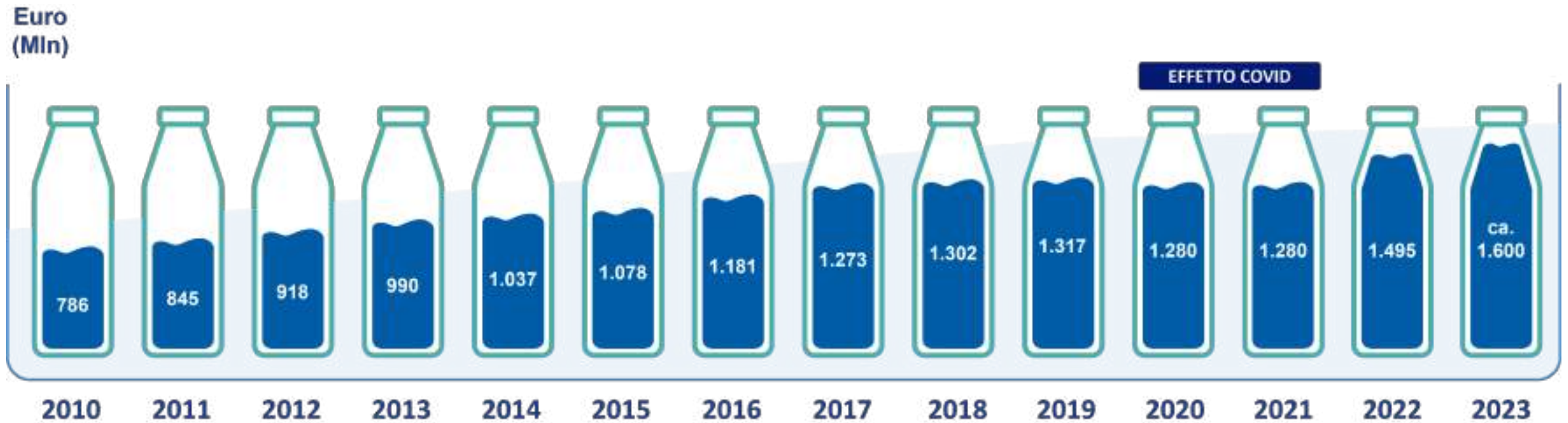
3rd brand in the whole yoghurt market

1st player on the Italian hard cheese market in France

2nd player on the Italian fresh cheese market in France

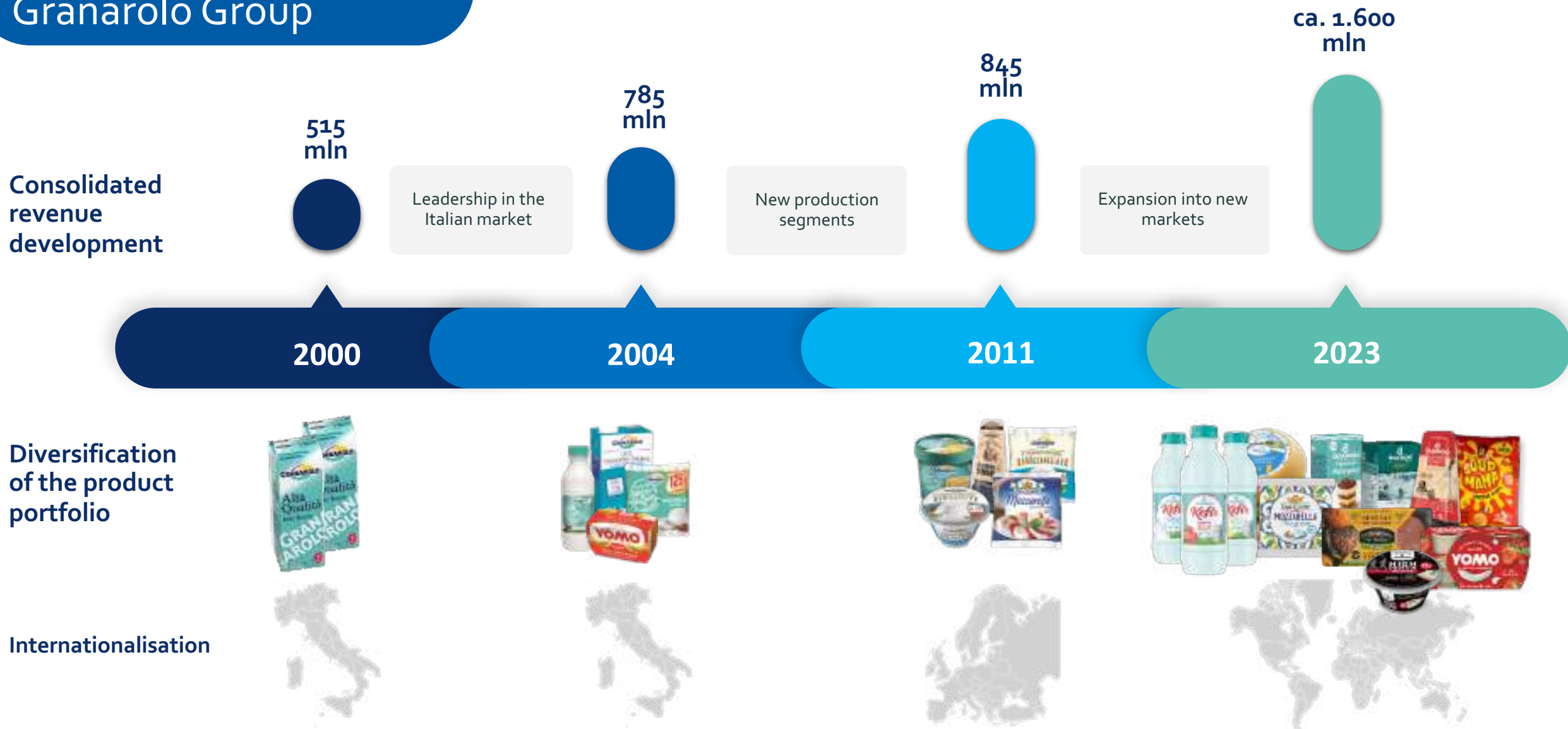


Granarolo Group: turnover trend



Fonte: dati interni

The evolution of the Granarolo Group



Innovation

Existing businesses



Innovation



Perimetro GDO Italia -
Dati Sell Out Fonte IRI

GRANAROLO INNOVATION CENTRE

Location: Bologna Headquarters

Building: 3,700 m², on three levels

Collaborative space for idea generation, selection and incubation: open spaces, offices, meeting rooms

Outdoor Spaces: Top-to-Top, Clients, Universities, Institutions, Startups

Pilot plant: current and future technologies, processing and packaging

Chemical-physical and applications laboratories

Showroom and tasting areas

Green inner courtyard

Training Centre



The Granlatte logo features a stylized white wave icon above the word "Granlatte" in a white serif font.

CHALLENGES FOR THE FUTURE: SUSTAINABILITY

Why engage in sustainability?



- For the Granlatte–Granarolo Group, committing to sustainability is fundamental to:
 - **Future generations:** this applies to everyone, but for us as a cooperative it is also inherent to our values and corporate nature
 - Making our contribution, as a responsible company and Italy's leading dairy group, to **tackle the climate crisis and fostering the ecological transition in a socially and economically sustainable way**
 - **Consolidating member farms:** investing in sustainability is essential for their resilience and competitiveness, as well as for generational change
 - **Consolidate the reputation of our brand**, built up over 70 years of fruitful relations with our territory, and **compete better in the market** also thanks to this
- Being a strong **identitarian choice**, the actions taken are shared with members, so **applying certain commitments is part of the association pact**
 - For example, applying the policy of loose housing in the barn did not entail specific incentives for members; it is considered a bar to be crossed in order to be part of Granlatte. Similarly, adherence to the drug reduction policy is a prerequisite for being a member.
 - New members, when joining the cooperative, must also commit to our standards

Medium- and long-term sustainability goals

2030 PLAN GOAL

By 2030, reduce greenhouse gas emissions by 30 % per liter of milk.

MAIN GOALS

Reduce greenhouse gases at every stage of the supply chain

Reduce energy and water consumption

Reduce waste

Reduce plastic in packaging



Objectives involving the whole chain



1. Agriculture and farming

503 farmers in 11 Italian regions and about 167,000 heads of livestock. This will make the largest contribution in terms of reducing environmental impact.



2. Procurement Milk collection + Ingredient supply

807.000 tonnes of milk per year
Granlatte's 99 tankers cover 7.1 million km every year; 95% of them are Euro 5 and Euro 6 vehicles



3. Transformation and packaging

Granarolo's 2529 employees promote sustainability at all levels with a constant focus on innovation throughout the product life cycle.



4. Innovation and Marketing

Granarolo is committed to promoting healthy nutrition, including through products with reduced salt, sugar and fat content. It also strives to meet consumers' express needs through functional products.



5. Distribution

Granarolo is committed to optimising logistics with the aim of reducing waste and environmental impact.



6. Consumers and the Community

Granarolo keeps its consumers informed and helps them make conscious purchases, focusing on products with reduced environmental impact.

It supports communities, both near and far.



7. Product end of life cycle management

Granarolo is attentive to recyclability in its packaging choices, uses recycled materials and supports consumers in the disposal of packaging materials. It aims to reduce food wastage.

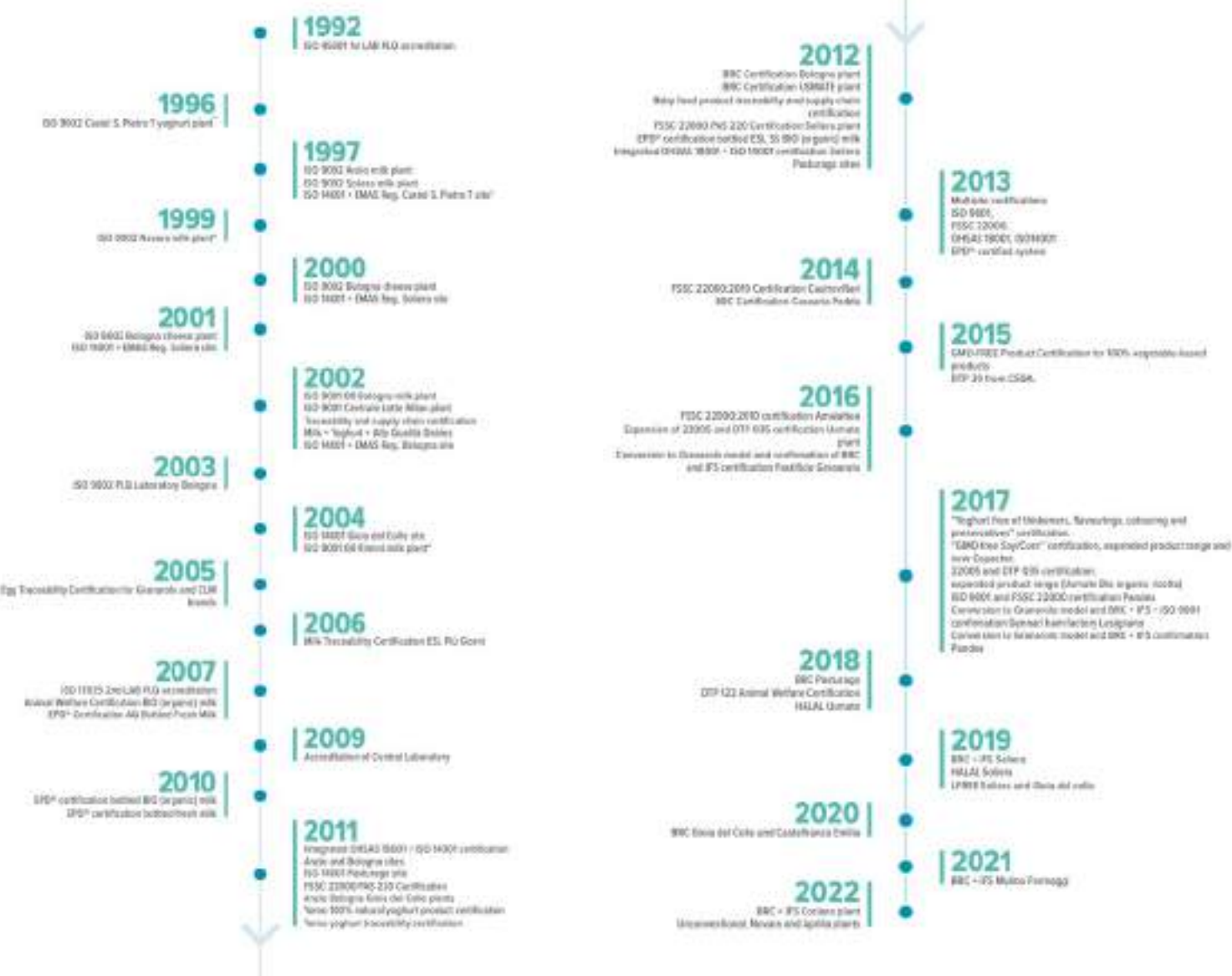
THE CONTRIBUTION OF GRANLATTE AND GRANAROLO TO THE SDGs

SDGS & TOPICS			OUR VALUE CHAIN						
			1	2	3	4	5	6	7
			AGRICULTURE AND FARMING	PRODUCTION	TRANSFORMATION AND TECHNOLOGY	SALES AND MARKETING	DISTRIBUTION	CONSUMPTION AND COMMUNITY	PRODUCT LIFE CYCLE MANAGEMENT
 	Guaranteeing economic sustainability by strengthening competitiveness	Solidity of assets and generation of value	●	●	●	●	●	●	●
		Relation with the supply chain	●	●					
 	Guaranteeing the integrity of company behaviour	Correct conduct and compliance	●	●	●	●	●	●	●
 	Preserving a sustainable supply chain model	Cooperative supply chain	●		●	●		●	
		Animal welfare	●						
	Protecting and developing employees	Employee growth and engagement	●		●				
		Occupational health, safety and well-being			●		●		
	Guaranteeing food safety	Food safety	●	●	●				
 	Preserving health and well-being for all	Consumer-oriented				●		●	
		Well-being and nutrition				●			●
 	Improving environmental sustainability from the farm to disposal	Managing the impact along the value chain	●	●	●	●	●	●	●
		Fighting food wastage		●	●	●	●	●	●
  	Being active citizens at a local and global level	Relationship with communities	●	●	●	●		●	●



The alignment between the Sustainable Development Goals and Granarolo's activities was carried out according to the SDG Compass, developed by the UN Global Compact, GRI and World Business Council for Sustainable Development.

Granlatte Granarolo Group Certification History



CERTIFICATIONS

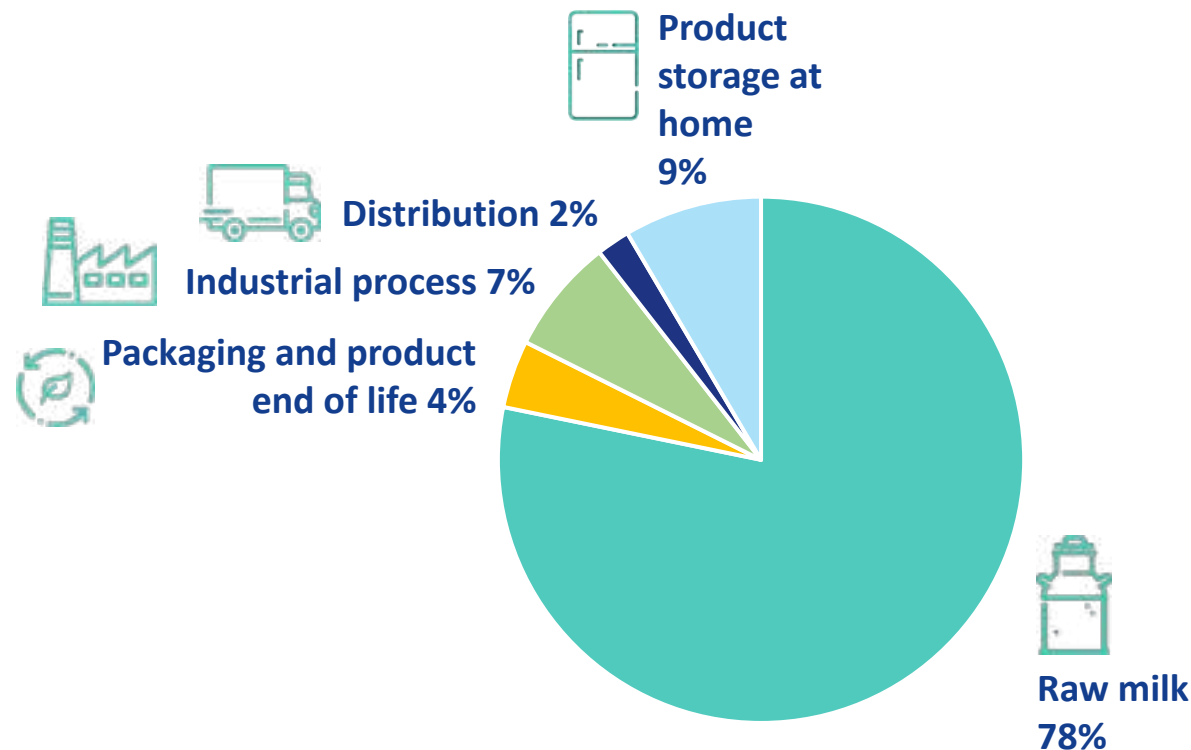
	ISO 9001	FSSC 22000	IFS	IFS	LFPAH ISO 9001	DIP 122	DIP 142	FSC	HALAL	ISO 14001	ISO 22000	ISO 22000	ISO 22000	ISO 22000	ISO 22000	ISO 22000	ISO 22000	ISO 22000	ISO 22000
BOLOGNA		✓	✓	✓	✓	✓	✓		✓										
CASTROVILLARI		✓	✓		✓	✓	✓	✓											
CASTELFRANCO		✓	✓		✓	✓	✓	✓											
UNCONVENTIONAL			✓	✓						✓					✓		✓		
GIOMA DEL COLLE		✓	✓	✓	✓	✓	✓												
GIOMO			✓	✓	✓														
MARIO COSTA		✓	✓	✓	✓		✓	✓											
MILANO			✓																
MILANO FORMAGGI	✓		✓	✓	✓	✓	✓	✓	✓										
INSTRICO	✓		✓	✓						✓									
PASTURAGO		✓	✓		✓	✓	✓		✓										
PODDA			✓							✓									
S. COLOMBO				✓															
S. OMER			✓	✓															
SHONALI KASERI				✓															
SOLERA		✓	✓	✓	✓	✓	✓		✓	✓									
UNIMATE		✓	✓	✓	✓	✓	✓		✓	✓									
VOLTERRA																			
VONCHAMERO				✓	✓	✓	✓												
HEADQUARTERS	✓	✓	✓	✓	✓	✓	✓		✓										

*The HEADQUARTERS is not certified but undergoes Headquarters audits preparatory to the audits at the production sites.

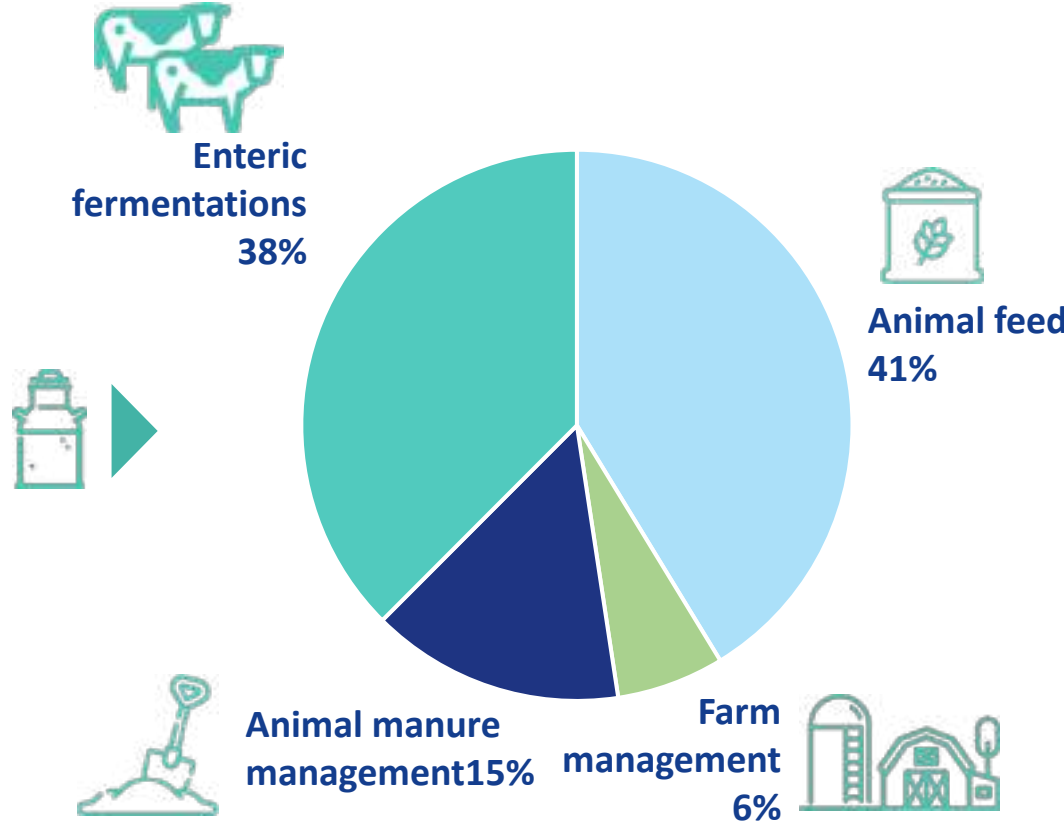
* Production also certified

STARTING POINT

Impact of the supply chain per 1 liter of milk



Impact of raw milk in dairy farming



Adherence to the Dairy Sustainability Framework

- Holistic approach to sustainability through a common language.
- Alignment of international sustainability activities.
- Common commitment to sustainability that can be expressed globally, but also nationally.



Some of the DSF members



A framework for sustainable milk production

Greenhouse gases

Soil nutrients

Waste

Water

Soil

Biodiversity

Market development

Rural economies

Working conditions

Product safety and quality

Animal care



1 Agriculture and farming

Granlatte has 503 farmers in 11 Italian regions and about 167,000 heads of livestock.

2021-2023 PLAN OBJECTIVES:

- Reduction of fertiliser use
- Reduction of farms' environmental impact
- Animal welfare (all farm buildings are certified)
- Rational drug use

Ongoing digitalisation is key.



100% of farms are animal-welfare certified

765,714 analyses carried out on incoming raw materials



2 Procurement Milk collection + Ingredient supply

Granarolo processes 850,000 tonnes of milk every year, of which 680,000 are supply chain.

Granlatte's 99 tankers cover 7.1 million km every year; 95% of them are Euro 5 and Euro 6 vehicles.

2021-2023 PLAN OBJECTIVES:

- Supplying the supply chain milk collection tankers with biomethane (pilot project – March 2021).
- Where possible, procuring products locally and/or mapping suppliers according to sustainability criteria.

887,000 tonnes of milk from the Granlatte supply chain

**Value disbursed to Italian suppliers €391,870,000
out of €515,467,000**



3 Innovation and Marketing

Granarolo is committed to promoting healthy nutrition, including through products with reduced fat, salt and sugar content. It also strives to meet consumers' express needs through functional products.

It aims to reduce food wastage.

2021-2023 PLAN OBJECTIVES:

- Products with low fat, salt and sugar content now account for 81% of total volumes (1.2% of those exported), up by 15%.
- Enriched or functional products account for 1% of total volumes in Italy and 2.8% of those exported, up by 15%.
- The extension of shelf life, with organoleptic properties maintained thanks to a focus on the excellence of milk from farms and innovative processing technologies, allows reduction of waste (mozzarella plan).

20% of revenue from innovation

Launched in 2020-2021:

**A2 milk, Hay milk, Kefir, reduced-sugar yoghurt,
Unconventional Burger, Yomo in paper pack**



4 Consumers and Community

Granarolo keeps its consumers informed and helps them make conscious purchases, focusing on products with reduced environmental impact.

It supports communities, both near and far.

2021-2023 PLAN OBJECTIVES:

- Granarolo uses its products, education and online spaces to inform its consumers about nutritional properties, types of ingredients and packaging and disposal methods.
- Granarolo has launched an e-commerce platform in Italy, one in the UK, and another in Brazil focusing on sustainability.
- It has created and manages a Donated Human Milk Bank that works in synergy with the hospitals of Bologna, Ferrara and Parma.
- It supports the Africa Milk Project in Tanzania and AfricHand Project in Mozambique.



5 Product end of life cycle management

Granarolo is attentive to recyclability in its packaging choices, uses recycled materials, works in synergy with institutions and consortia with the same objectives and supports consumers in the disposal of packaging materials.

It aims to reduce food wastage.

2021-2023 PLAN OBJECTIVES:

- Granarolo provides product and online information related to waste reduction (anti-waste recipes) and packaging disposal.
- Expansion of physical outlets that promote anti-waste
- Systematic donations to local charities, including unsold goods.



The Sustainability Pathway at the farm

STEP 1

Creation of a Technical Scientific Committee composed by the University of Milan, Brescia and Bologna



STEP 2

Verify GHG emissions from a representative sample of Granlatte farms



STEP 3

Extending the representative result to all Granlatte farms



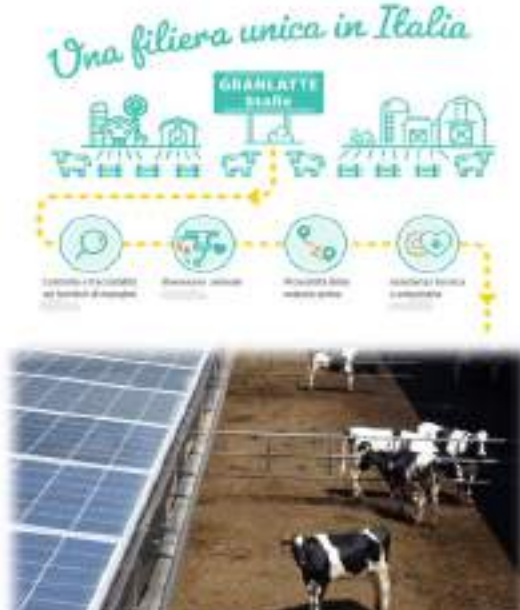
Verify GHG emissions from a representative sample of Granlatte farms

Focus

An exploratory analysis of all the farms throughout the country was carried out to better characterize and identify production, management performance and agronomic practices adopted by the farms.

Based on the results of this analysis, a representative sample of all conferring farms was identified according to the following parameters:

- 1) by geographical location,
- 2) farm size,
- 3) milk productivity,
- 4) breed reared,
- 5) type of agronomic management,
- 6) use of renewable energy sources and wastewater management and treatment.



Extension of results to all Granlatte farms

Focus

The Carbon Footprint of the milk production of the conferring farms was assessed using the Life Cycle Assessment (LCA) methodology to determine the Carbon Footprint of 1 litre of milk using a questionnaire formulated by the Agrofood Research Hub of the University of Brescia.



The analysis of the sample led to the determination of a farm carbon footprint of

1.50 kg CO₂eq/ lt
of milk in 2021



The Sustainability Pathway

December 2023

Achievement of EPD certification of Granlatte

Focus

In Italy, Granlatte **is the first** cooperative to obtain EPD certification on raw milk. This represents a great achievement for the cooperative.

EPDs are compatible with the SDGs! Life cycle methodology and EPDs will help Granlatte understand, improve and communicate the environmental impact of their product



Focus

Environmental Product Declaration (EPD) is defined by **International Organization for Standardization (ISO)** 14025 as a Type III declaration that "quantifies environmental information on the life cycle of a product to enable comparisons between products fulfilling the same function." The EPD methodology is based on the **Life Cycle Assessment (LCA)** tool that follows ISO series 14040.



The Sustainability Pathway

working progress June 2024

Development of a decision support platform for improving environmental and economic performance.

Granlatte

Digital Farming

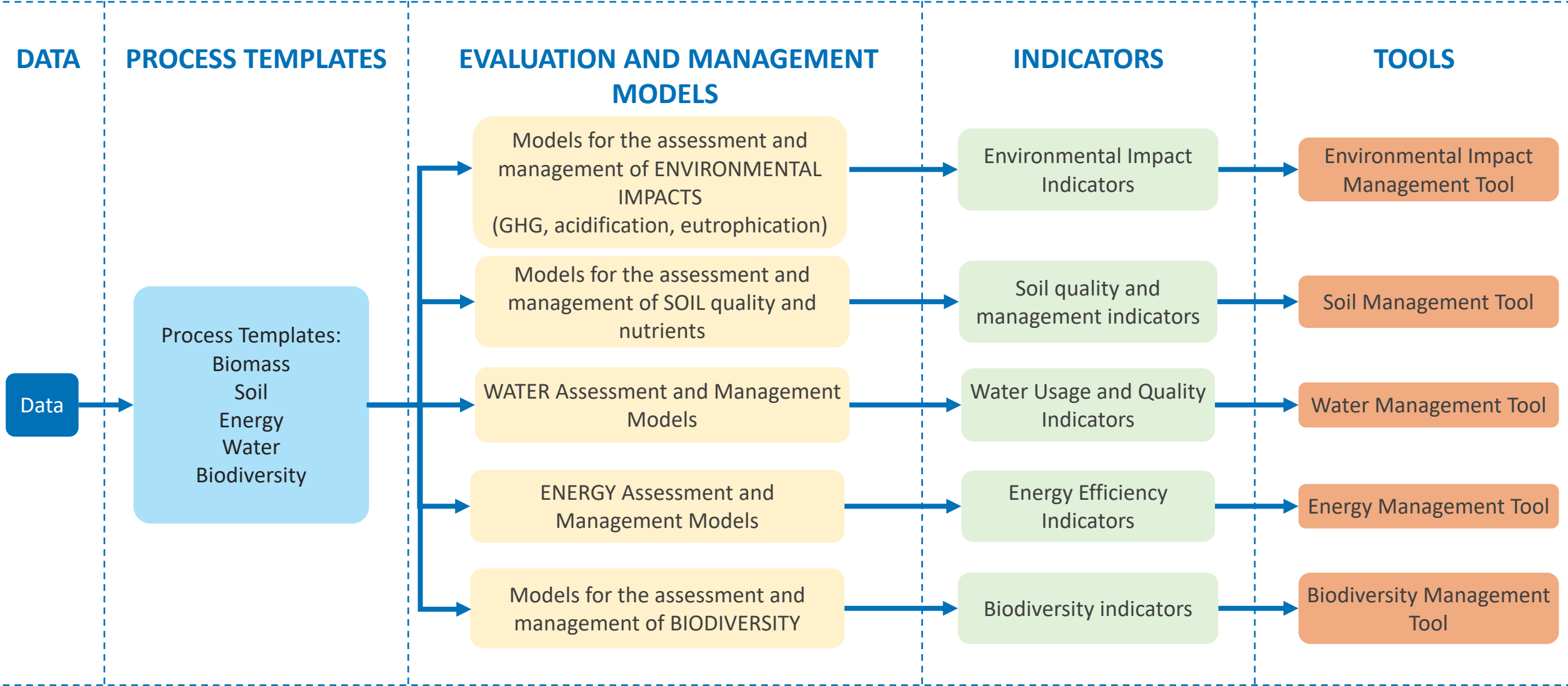
X FARM
TECHNOLOGIES



Focus

Working Structure

- Greenhouse gases
- Soil nutrients
- Soil
- Water
- Biodiversity



ANIMAL WELFARE

Two animal welfare assessment models

1) Classyfarm

In the course of 2022, Granlatte activated the positions of all members in the Classyfarm platform in order to be able to monitor animal welfare and drug use evaluations.

CAP Eco-scheme 1 - Payment for the reduction of antimicrobial resistance and animal welfare

Limit of the system:

Animal welfare assessment system is difficult to apply to different livestock realities in Italy



PAC 2023-2027

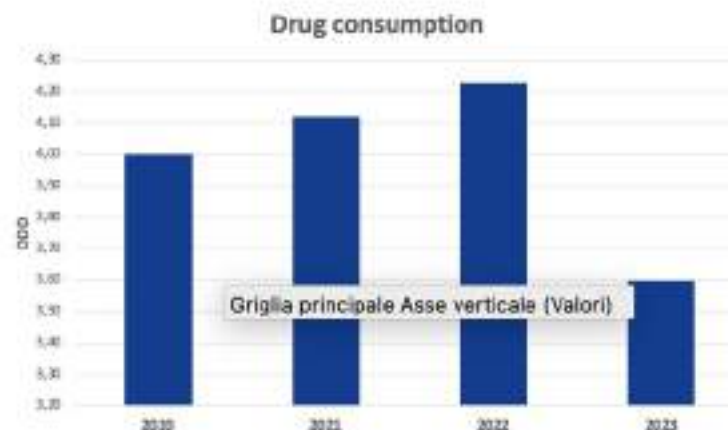


Ministero dell'agricoltura,
della sovranità alimentare e delle foreste



CRUSCOTTO FARMACO
BIOMASSA AGGREGATO

Drug consumption



Each farmer will be able to **monitor the drug consumption** of his farm, by type of molecule, with the aim of **rationalising medicines use and to reduce them**.

ANIMAL WELFARE

Two animal welfare assessment models



100% of our farms are certified on animal welfare.

2) Buonalatte

The 'Buonalatte' system is a collaboration between Granlatte, the University of Milan and CRPA of Reggio Emilia.

This system conforms to the Italian production realities in general, and to Granlatte's suppliers in particular.

The Operational Group was funded by Emilia-Romagna Region in AKIS EIP framework



The ADVANTAGE of our Buonalatte system

For the final evaluation, a precise value is drawn up that is considered to best express the real situation of the herd and that, above all, allows for the measurement **PUNCTUAL AND DYNAMIC** of the trend of the welfare level over time, thus being able to assess improvements over time, which is one of the main purposes of the UNIMI-CRPA-GRANLATTE evaluation system.



VALUTAZIONE DEL BENESSERE ANIMALE ELABORATA DA EIP-AGRI PER LA FILIERA GRANLATTE-GRANAROLO



OVERCOMING fixed housing

In our supply chain, farms are no longer tethering livestock



Points of IMPROVEMENT for the farmer



The Buonalatte system, as a result of the animal welfare assessment, provides the farmer with a set of improving comments on those aspects where he or she has obtained a suboptimal assessment.

The Buonalatte system ensures that the farmer can embark on a path of improvement supported by our veterinarians



Commenti

Id	Numero	Id	Descrizione	Relevante	Stato	Commenti
11	101	102	1 Scheda B: Mungitura - Gestione unità mungitura - IT mungitura	Gestione unità mungitura	Gestione unità mungitura	La scheda B: Mungitura è stata valutata come subottimale. Per migliorare la situazione, si consiglia di adottare le seguenti misure: <ul style="list-style-type: none"> • Assicurarsi che le vacche siano munte in un ambiente pulito e sicuro. • Assicurarsi che le vacche siano munte in un ambiente pulito e sicuro.
11	101	102	1 Scheda C: Trazioni - Trazioni - IT mungitura	Trazioni	Trazioni	La scheda C: Trazioni è stata valutata come subottimale. Per migliorare la situazione, si consiglia di adottare le seguenti misure: <ul style="list-style-type: none"> • Assicurarsi che le vacche siano trattate in un ambiente pulito e sicuro. • Assicurarsi che le vacche siano trattate in un ambiente pulito e sicuro.
11	101	102	1 Scheda D: Mungitura e gestione unità mungitura - IT mungitura	Gestione unità mungitura	Gestione unità mungitura	La scheda D: Mungitura e gestione unità mungitura è stata valutata come subottimale. Per migliorare la situazione, si consiglia di adottare le seguenti misure: <ul style="list-style-type: none"> • Assicurarsi che le vacche siano munte in un ambiente pulito e sicuro. • Assicurarsi che le vacche siano munte in un ambiente pulito e sicuro.

Biomethane supply chain project



Biomethane supply chain project



The Biomethane Project will see the construction of **10 consortium plants over 3 years located in Emilia Romagna, Lombardy, Friuli and Puglia**. They will produce 30 million cubic meters per year of methane i.e., the equivalent of what is needed in terms of thermal energy in Granarolo's Italian plants, 500,000 t per year of natural fertilizer (digestate), avoiding the emission of 60,000 t of CO₂ eq. into the atmosphere.

Benefits of the Biomethane:

- **Reduction of Co₂ emissions due to manure and slurry produced on the farm;**
- **Production of clean energy that is paid to the farmer;**
- **Use of digestate produced from Biomethane;**
- **Reduction of chemical fertilizer use**

Thanks to the Cooperative, farmers are able to participate in these projects, financed by the Cooperative.

Biodiversity project in collaboration with Conapi



Drafting good agricultural practices to safeguard pollinators;

Management by the Breeder of land with floriferous crops to ensure pollination for bees;

Possibility for Conapi Breeders to install beehives on farmland;

Possibility for the farmer to be able to apply for funding under Ecoscheme 5 of CAP 2023-2027.



There are currently **350 beehives** in our farms scattered across Emilia-Romagna, Lombardy, Apulia and Basilicata with a total of 17,450,000 bees that can find sustenance in farmland.

On the farms where the hives are located, **1.621 hectoliters of milk** are collected daily (standard, high quality and organic)

OUR CERTIFICATIONS



EUROPEAN PROJECTS IN WHICH WE PARTICIPATED



L'Europa investe nelle zone rurali



COMMISSIONE EUROPEA

Oggetto: **Aiuto di Stato-Italia
SA.42821
Contratti di filiera e di distretto**

COMPASSION
in world farming





The training course is aimed at **young Granlatte member farmers** (aged between about 25 and 40) and aims to provide concrete and useful tools to:

- analyze the peculiarities of the cooperative world,
- learn about our history and reaffirm our values analyze the farm,
- understand its potential and areas for improvement, as well as reflect on sustainability to structure its application;
- recognize and govern technical and economic efficiency; indicators know the logic of the food market, innovations and sales channels;
- increase their managerial skills;
- promote the sharing and capitalization of knowledge; experience and solutions.



70 of our young farmers have joined the project, coming from every Italian area where we have a stable.



Granlatte


GRANAROLO
GROUP

THANK
YOU!!

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