

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

Granlatte

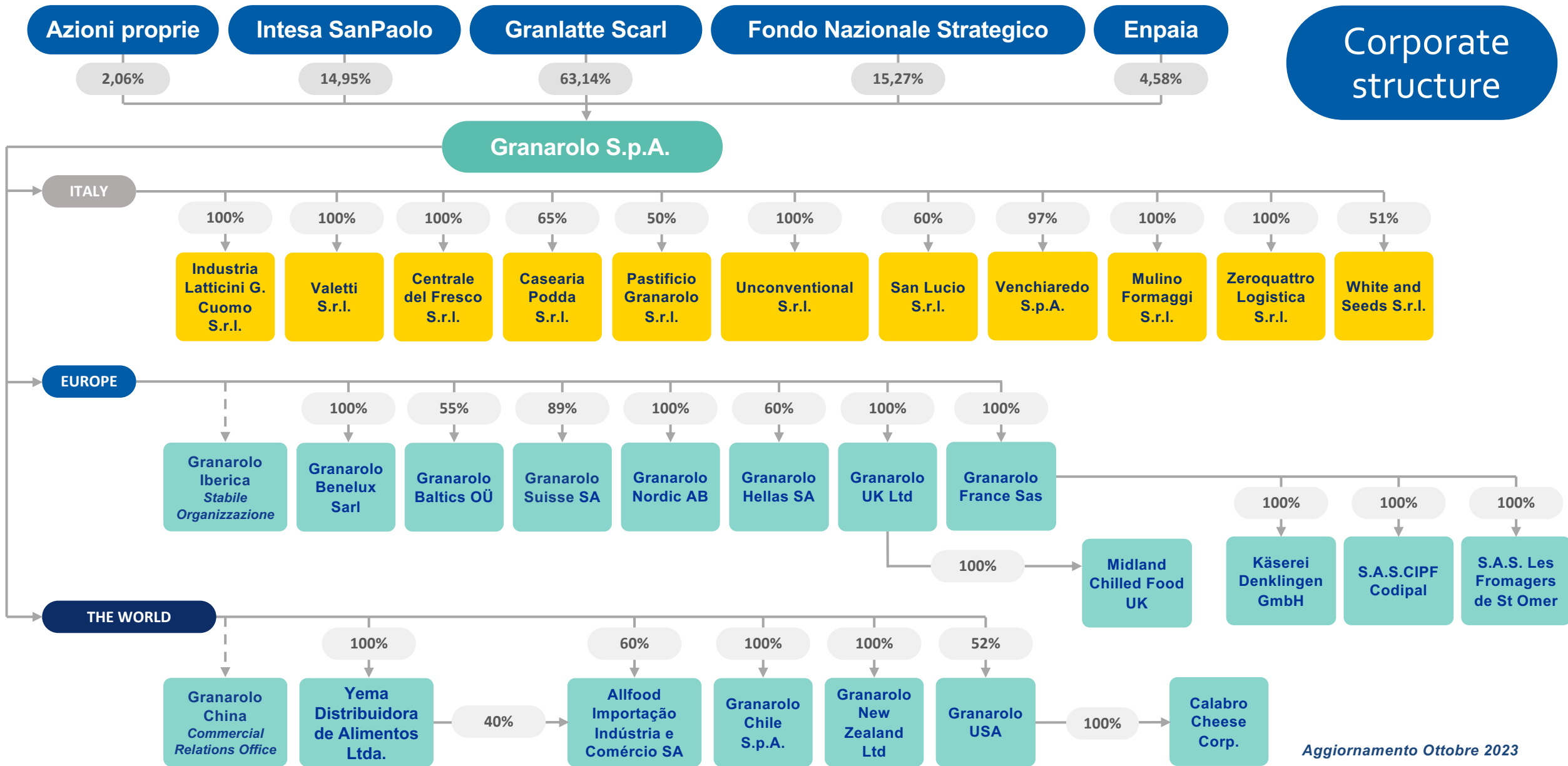
The Granarolo Group logo consists of a stylized white 'G' icon above the words "GRANAROLO" and "GROUP" in a white sans-serif font.

GRANAROLO  
GROUP

The background image shows a cow in a farm setting, with a blue overlay. The cow has a yellow tag with the number "J041" and the text "ATWOOD" and "0000/10/15".

# **SUSTAINABILITY: THE ECOLOGICAL TRANSITION OF OUR SUPPLY CHAIN**

Brussels – February 15, 2024



# Granlatte - Granarolo dairy chain in 2023



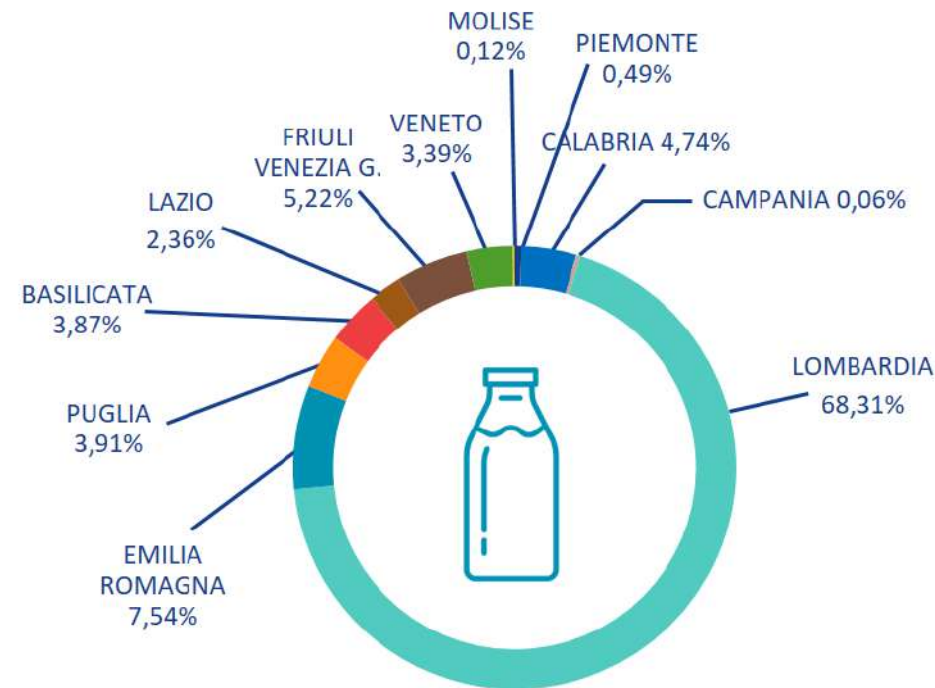
Our supply chain consists of 503 farmers members and 6 cooperatives



Our milk comes from both small and large family farms



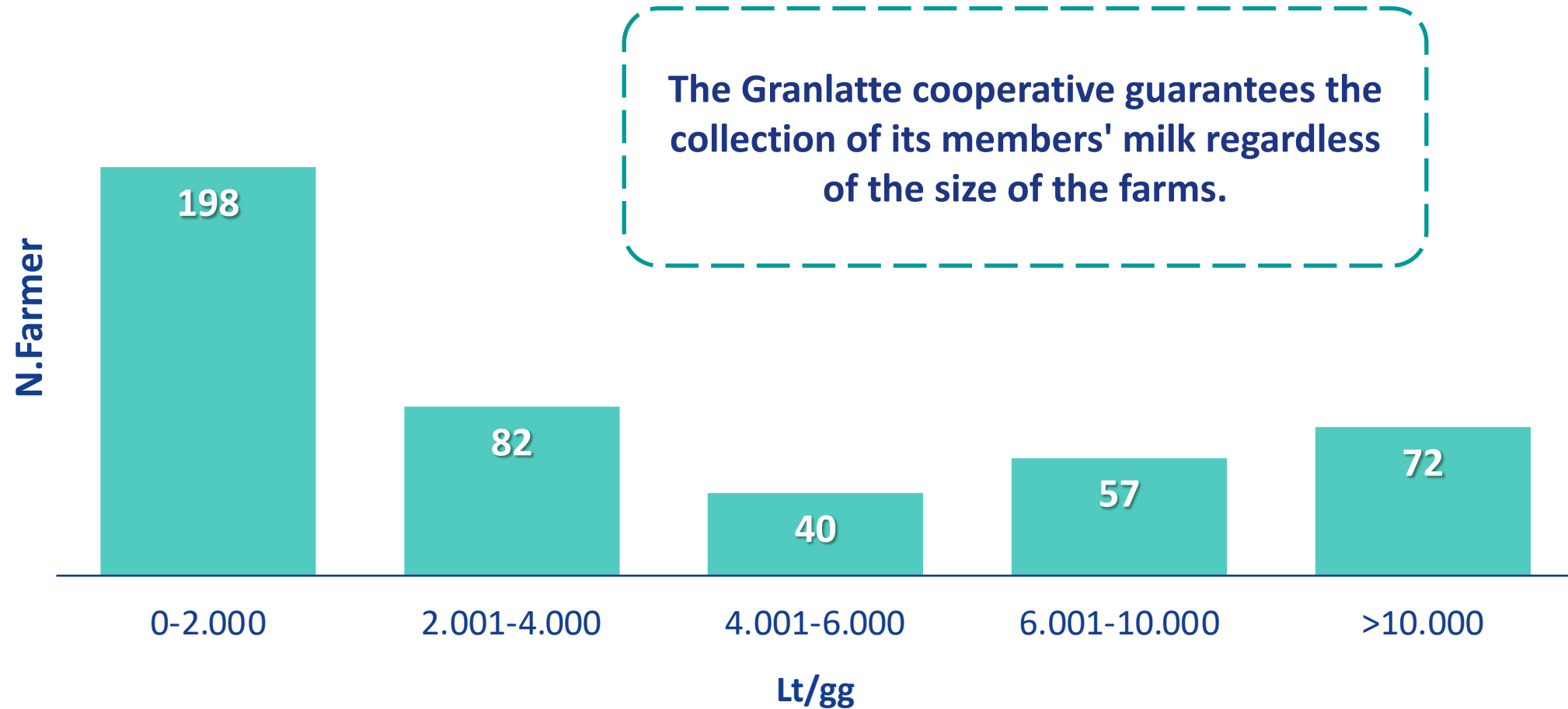
There are 154 subsidising members within the Granlatte cooperative



**8.867.956 HI of milk collected in 2023**

Milk delivered by farmers per region

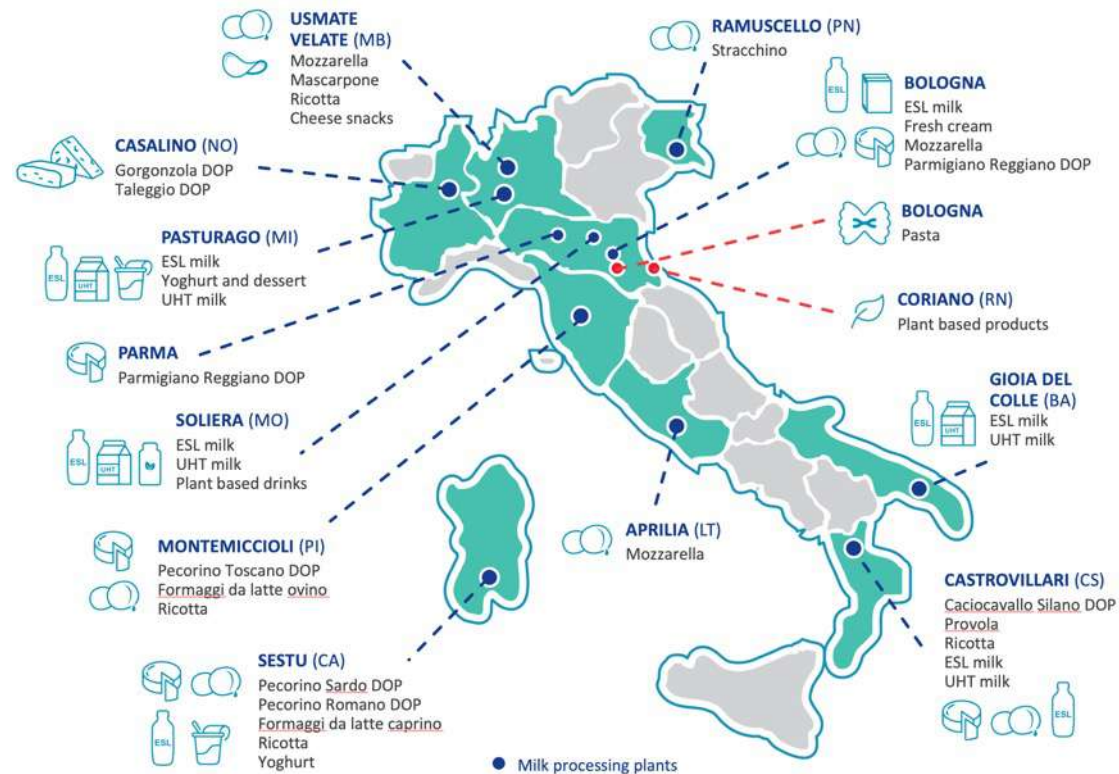
## Number of farms by daily production range





# Plants and production 2023

## GRANAROLO, IN ITALY WORKS THROUGH 13 MANUFACTURING PLANTS



## THERE ARE A TOTAL OF 9 SITES

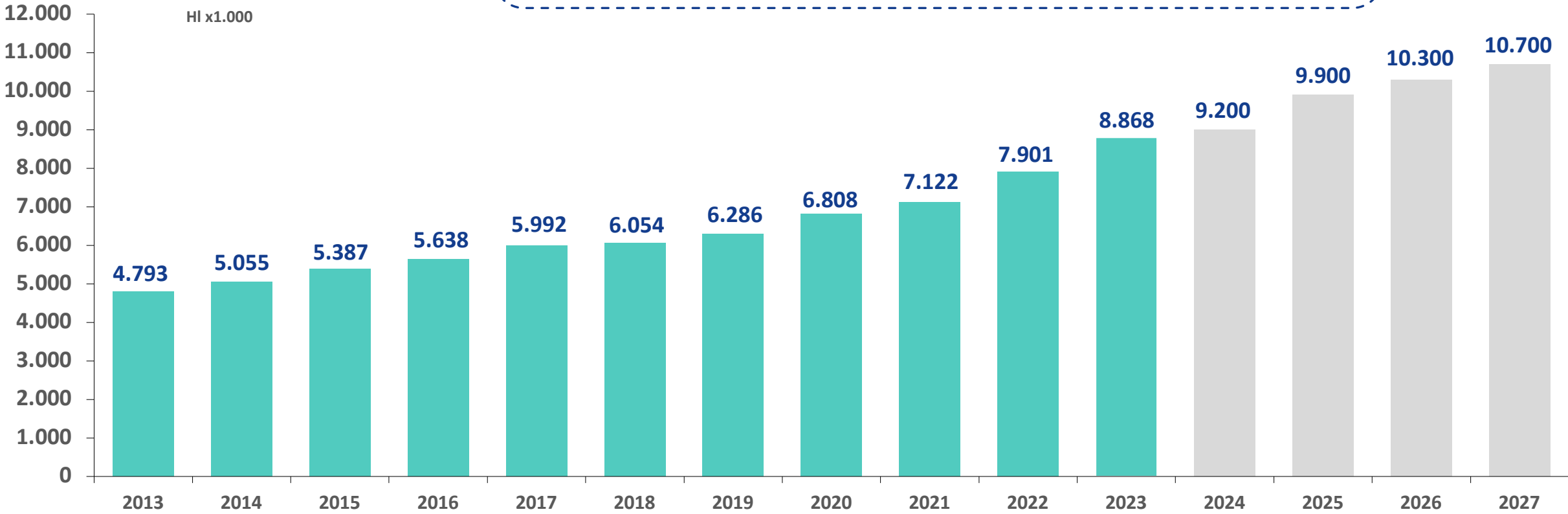
OF WHICH 2 IN FRANCE, 1 IN THE UK, 1 IN GERMANY, 3 IN BRAZIL, 1 IN NEW ZEALAND AND 1 IN THE USA. THE PRODUCTS OF THE GROUP PRODUCTS ARE PRESENT NOT ONLY IN ITALY, BUT ALSO IN FOREIGN MARKETS IN EUROPE AND THE REST OF THE WORLD.



# Collected milk (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. In addition, Granarolo Spa guarantees the sale of milk on the food market



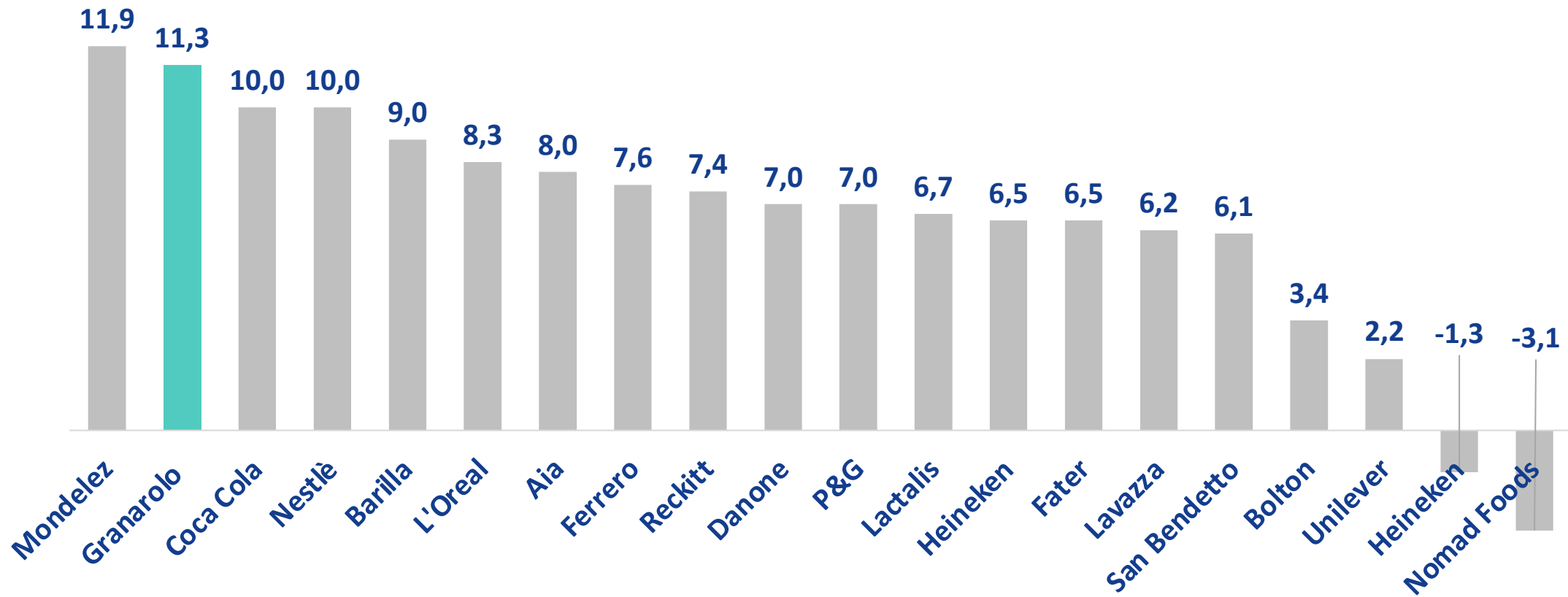
# Why engage in sustainability?



- 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

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

Trend Valore % vs a.p. YTD 31 Dicembre 2023





# 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  
Granarolo'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.



## 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.



## 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.



## 5. Distribution

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



## 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.

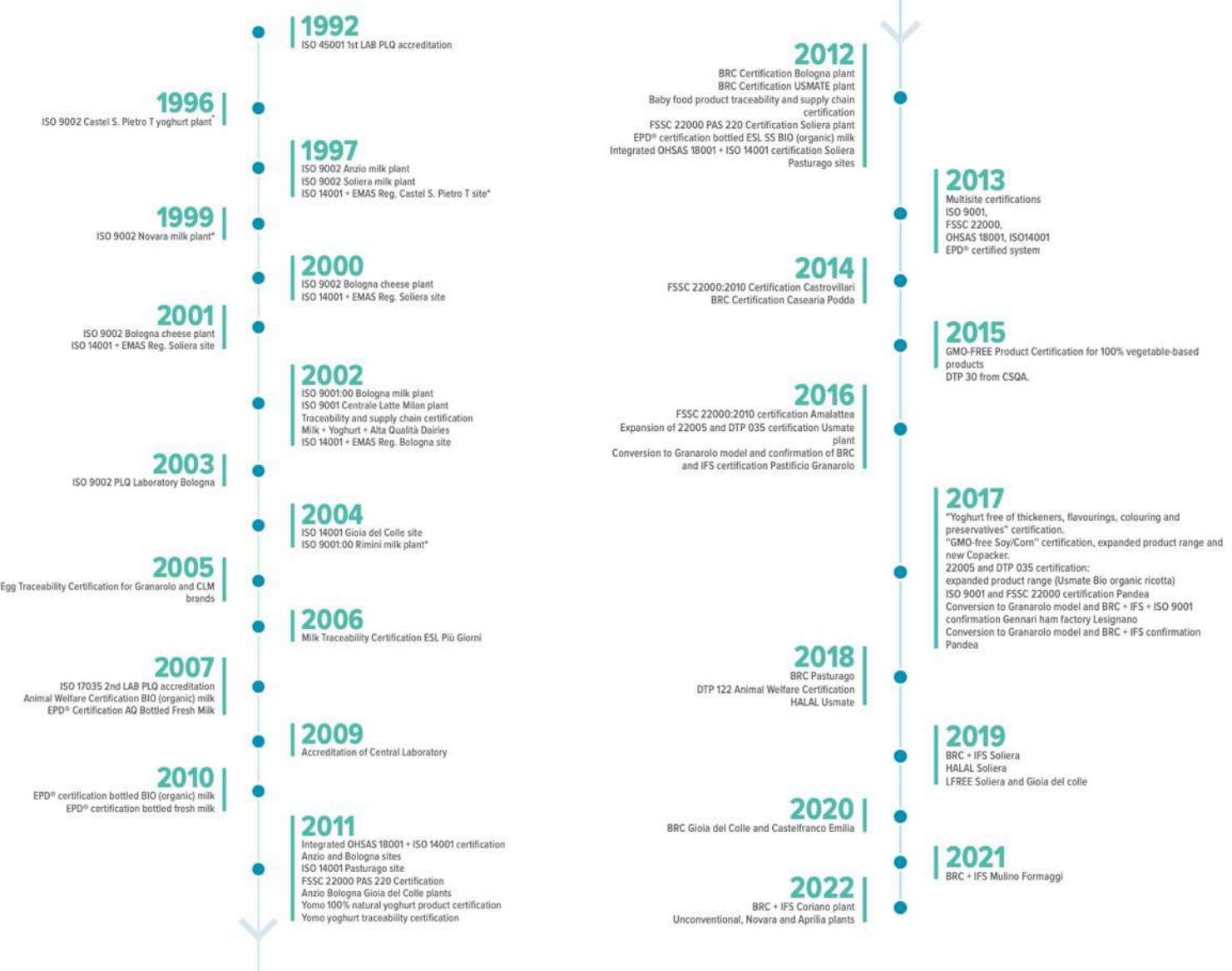
# THE CONTRIBUTION OF GRANLATTE AND GRANAROLO TO THE SDGs

SDGS & TOPICS			OUR VALUE CHAIN						
			1 AGRICULTURE AND FARMING	2 PROCUREMENT	3 TRANSFORMATION AND PACKAGING	4 INNOVATION AND MARKETING	5 DISTRIBUTION	6 CONSUMERS AND COMMUNITY	7 PRODUCT END OF LIFE CYCLE MANAGEMENT
<div>8</div> <div>9</div>	Guaranteeing economic sustainability by strengthening competitiveness	Solidity of assets and generation of value	•	•	•	•	•	•	•
		Relation with the supply chain	•	•					
<div>12</div> <div>16</div>	Guaranteeing the integrity of company behaviour	Correct conduct and compliance	•	•	•	•	•	•	•
<div>2</div> <div>12</div> <div>13</div>	Promoting a sustainable supply chain model	Cooperative supply chain	•		•	•		•	
		Animal welfare	•						
<div>8</div>	Protecting and developing employees	Employee growth and engagement	•		•				
		Occupational health, safety and well-being			•		•		
<div>12</div>	Guaranteeing food safety	Food safety	•	•	•				
<div>2</div> <div>3</div>	Promoting health and well-being for all	Consumer-centred				•		•	
		Well-being and nutrition				•			•
<div>2</div> <div>12</div> <div>13</div> <div>17</div>	Improving environmental sustainability from the farm to disposal	Managing the impact along the value chain	•	•	•	•	•	•	•
		Fighting food wastage		•	•	•	•	•	•
<div>2</div> <div>3</div> <div>9</div> <div>16</div> <div>17</div>	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

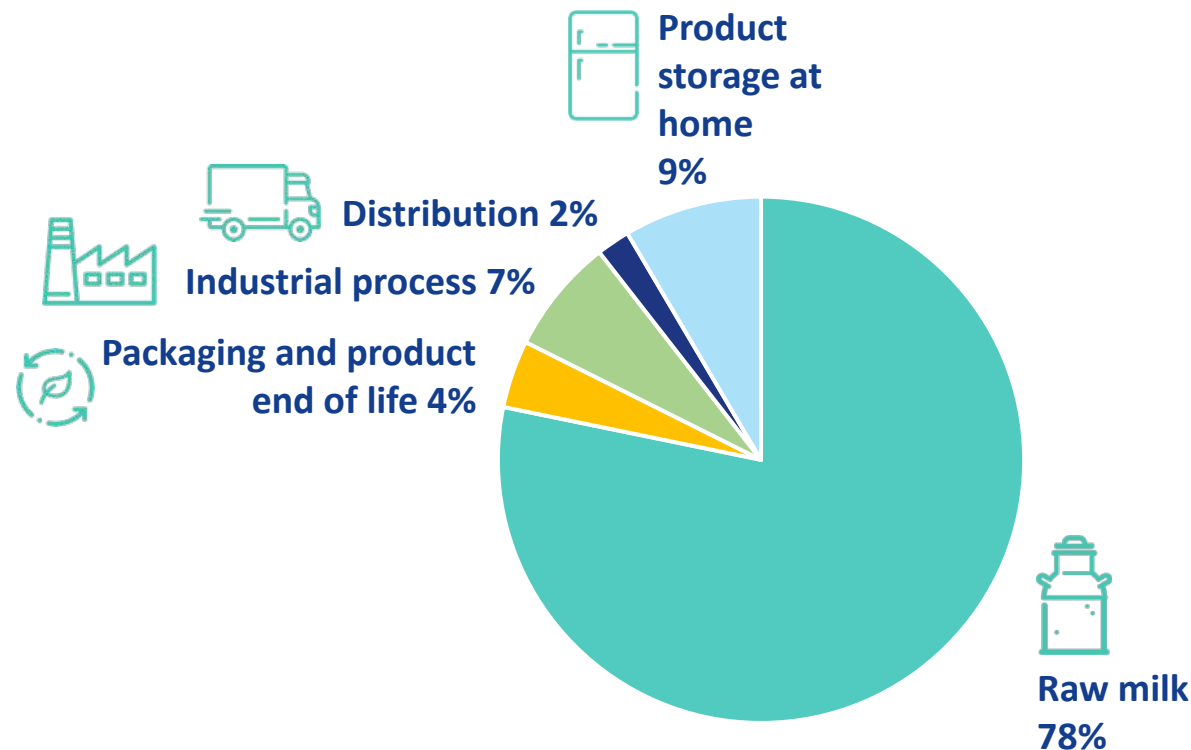
	ISO 9001	FSSC 22000	BRCGS	IFS	UNI EN ISO 22005	DTP 035	DTP 142	PDO	ORGANIC	HALAL	KOSHER	VEGAN
BOLOGNA		✓	✓	✓	✓	✓	✓		✓			
CASTROVILLARI		✓	✓		✓	✓	✓	✓				
CASTELFRANCO		✓	✓		✓	✓	✓	✓				
UNCONVENTIONAL			✓	✓					✓		✓	✓
GIOIA DEL COLLE	✓	✓	✓	✓	✓	✓	✓					
CUOMO			✓	✓	✓							
MARIO COSTA		✓	✓	✓	✓		✓	✓				
MIDLAND			✓									
MULINO FORMAGGI	✓		✓	✓	✓	✓	✓	✓	✓			
PASTIFICIO	✓		✓	✓					✓			
PASTURAGO		✓	✓		✓	✓	✓		✓			
PODDA			✓					✓				
S. COLOMBE				✓								
S. OMER			✓	✓								
SHONAU KASEREI				✓								
SOLIERA		✓	✓	✓	✓	✓	✓		✓	✓		
USMATE		✓	✓	✓	✓	✓	✓		✓	✓		
VOLTERRA												
VENCHIAREDO				✓	✓	✓	✓					
HEADQUARTERS*		✓	✓	✓	✓	✓	✓		✓			

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

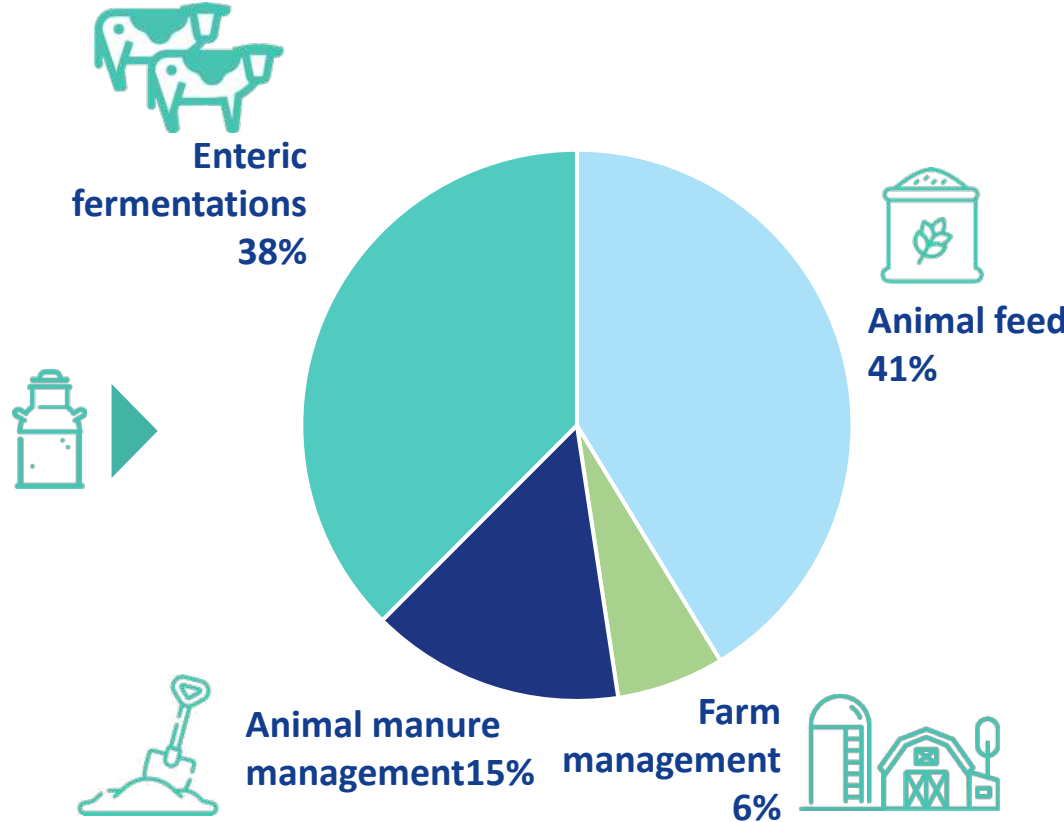
\* Production discontinued

# 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





# 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





## STEP 2

### 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.



## STEP 3

### 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 CO<sub>2</sub>eq/ lt  
of milk in 2021**



# The Sustainability Pathway

## STEP 4: 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.

# Granlatte two EPD certifications



## for conventional milk and organic milk.



**CONVALIDA DAP**  
(Dichiarazione Ambientale di Prodotto)  
EPD (Environmental Product Declaration) Validation  
n. 83386

Si attesta che la dichiarazione ambientale di prodotto effettuata da  
We validate that the Environmental Product Declaration operated by

**Granlatte Società Cooperativa Agricola a r.l.**  
Via Cadriano, 36 - 40127 BOLOGNA (BO)

per i seguenti prodotti  
for the following product

**Latte crudo vaccino convenzionale**

è conforme ai riferimenti normativi  
is in conformity with the prescriptive references


**EPD International (2021) General Programme**  
**Instructions for the International EPD® System,**  
**version 4.0**  
**PCR Dairy products, 2021:08, Version 1.0**

La presente convalida è soggetta al rispetto del regolamento CSQA.  
This validation will satisfy the requirements established by CSQA.

Prima emissione: First Issue	02/02/2024
Emissione corrente: Current Issue	02/02/2024
Scadenza: Expiry Date	01/02/2029


**Article4(1)b**

CSQA Certificazioni S.r.l.  
Via S. Gaetano, 74 – 36016 Thiene (VI)



CSQA n° 8049  
Member degli Accordi di Mutual Recognition DA, SAP e SMC  
Signatory of DA, SAP and SMC Mutual Recognition Agreements

Mod.PRVOL\_A Rev.1 05/11/14





**CONVALIDA DAP**  
(Dichiarazione Ambientale di Prodotto)  
EPD (Environmental Product Declaration) Validation  
n. 83284

Si attesta che la dichiarazione ambientale di prodotto effettuata da  
We validate that the Environmental Product Declaration operated by

**Granlatte Società Cooperativa Agricola a r.l.**  
Via Cadriano, 36 - 40127 BOLOGNA (BO)

per i seguenti prodotti  
for the following product

**Latte crudo vaccino biologico**

è conforme ai riferimenti normativi  
is in conformity with the prescriptive references

**EPD International (2021) General Programme**  
**Instructions for the International EPD® System,**  
**version 4.0**  
**PCR Dairy products, 2021:08, Version 1.0**

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Mod.PRVOL\_A Rev.1 05/11/14







## GRANAROLO EPD Certification

		
IMPACT INDICATORS	Global warming potential, TOTAL GWP, kg of CO <sub>2</sub> eq	Use of water resources, m <sup>3</sup>
 Raw materials	21E+00	5.5E+01
 Packaging	2.1E-01	7.2E+00
 Auxiliary materials	2.0E-02	6.5E-01
 Process	3.5E-01	1.1E+00
 Distribution	1.1E-01	6.1E-02
 Home storage	1.3E+00	3.5E+00
 End-of-life packaging	1.7E-02	1.0E-02
<b>TOTAL</b>	<b>4.1E+00</b>	<b>6.8E+01</b>

**For more details**















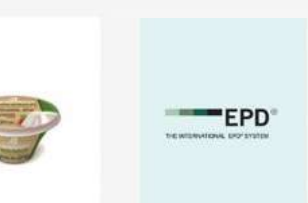
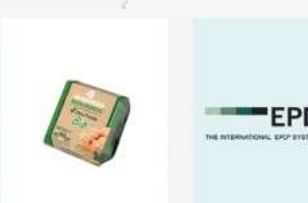

All declarations can be downloaded from [www.environdec.com](http://www.environdec.com)





# GRANAROLO

## EPD Certified Products

					
EPD	EPD	EPD	EPD	EPD	EPD
Yogurt Yomo Intero Bianco	Yogurt Yomo Intero Gusto Frutta	Yogurt Yomo intero gusti caldi e golosi	Latte Bio Intero	Latte Bio Parzialmente Scremato	Mozzarella Granarolo fatta con Latte fresco Alta Qualità
<a href="#">SCOPRI DI PIÙ &gt;</a>	<a href="#">SCOPRI DI PIÙ &gt;</a>	<a href="#">SCOPRI DI PIÙ &gt;</a>	<a href="#">SCOPRI DI PIÙ &gt;</a>	<a href="#">SCOPRI DI PIÙ &gt;</a>	<a href="#">SCOPRI DI PIÙ &gt;</a>
					
EPD	EPD	EPD	EPD	EPD	EPD
Stracchino Granarolo fatto con latte fresco Alta Qualità	Latte Accadi Biologico Senza Lattosio 1% grassi	Yogurt Yomo Food Service	Yogurt Prima Natura Bio Food Service	Ricotta e Ricottine Granarolo	Mascarpone cremoso Granarolo
<a href="#">SCOPRI DI PIÙ &gt;</a>	<a href="#">SCOPRI DI PIÙ &gt;</a>	<a href="#">SCOPRI DI PIÙ &gt;</a>	<a href="#">SCOPRI DI PIÙ &gt;</a>	<a href="#">SCOPRI DI PIÙ &gt;</a>	<a href="#">SCOPRI DI PIÙ &gt;</a>
					
EPD	EPD	EPD	EPD	EPD	
Mozzarella Granarolo Biologico	Ricotta Granarolo Biologico	Uova Granarolo Biologico	Pasta all'uovo Granarolo	Pasta di semola di grano duro Granarolo	
<a href="#">SCOPRI DI PIÙ &gt;</a>	<a href="#">SCOPRI DI PIÙ &gt;</a>	<a href="#">SCOPRI DI PIÙ &gt;</a>	<a href="#">SCOPRI DI PIÙ &gt;</a>	<a href="#">SCOPRI DI PIÙ &gt;</a>	

**Ente terzo  
certificatore  
EPD**



# OUR CERTIFICATIONS



# The Sustainability Pathway

STEP 5: working progress May 2024

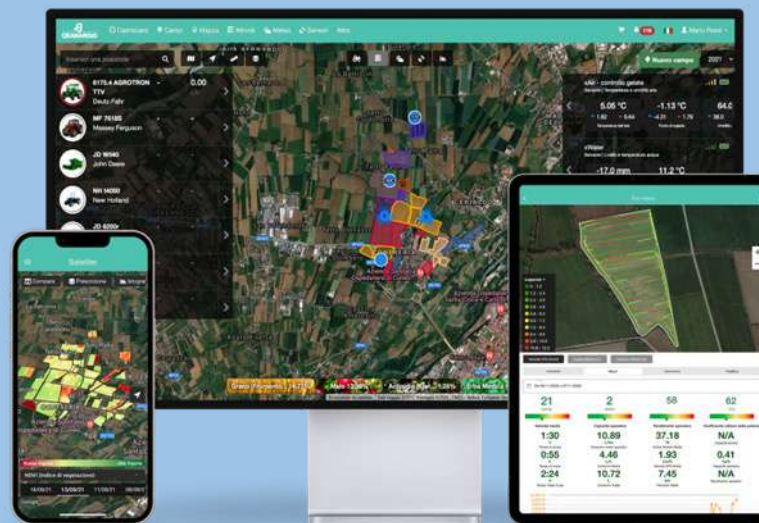
Development of a decision support platform for improving environmental and economic performance.

Focus

Granlatte

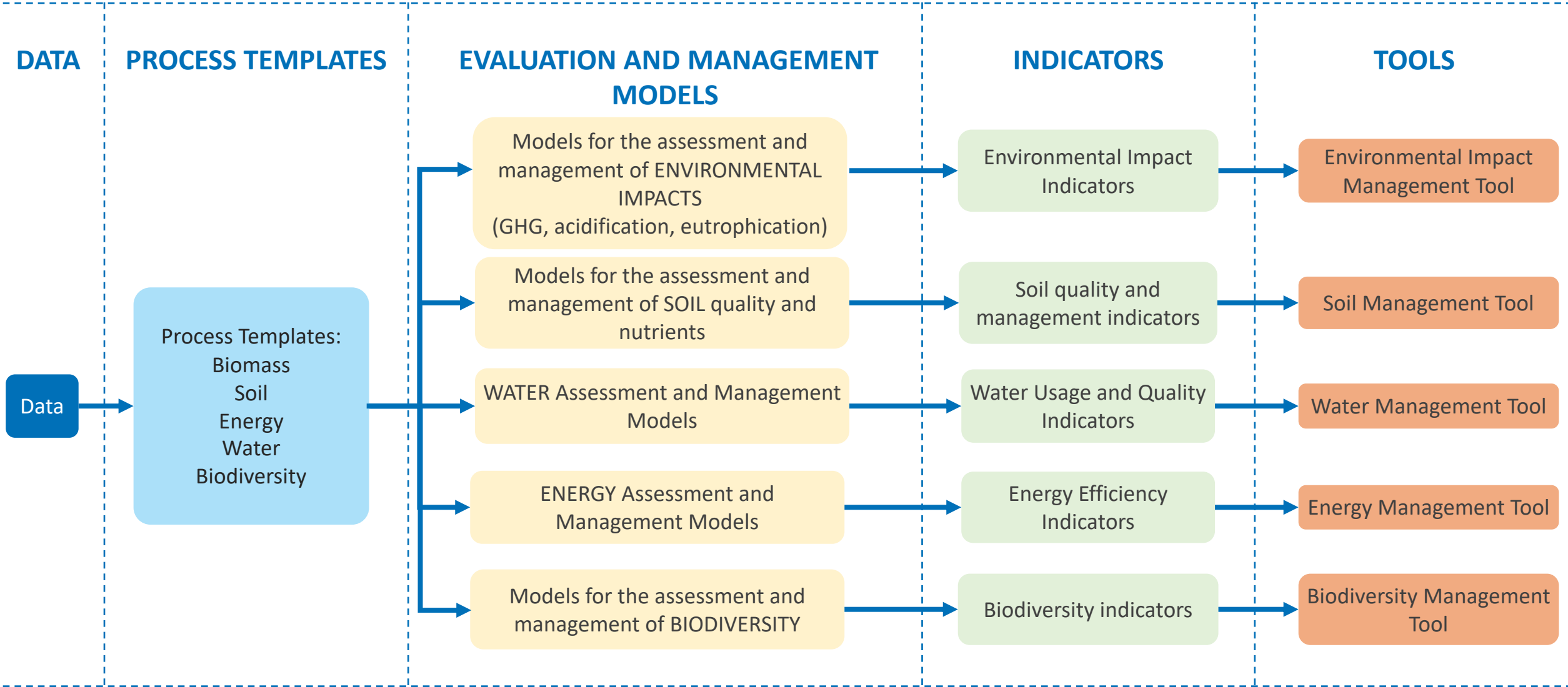
Digital Farming

X FARM  
TECHNOLOGIES



# 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**

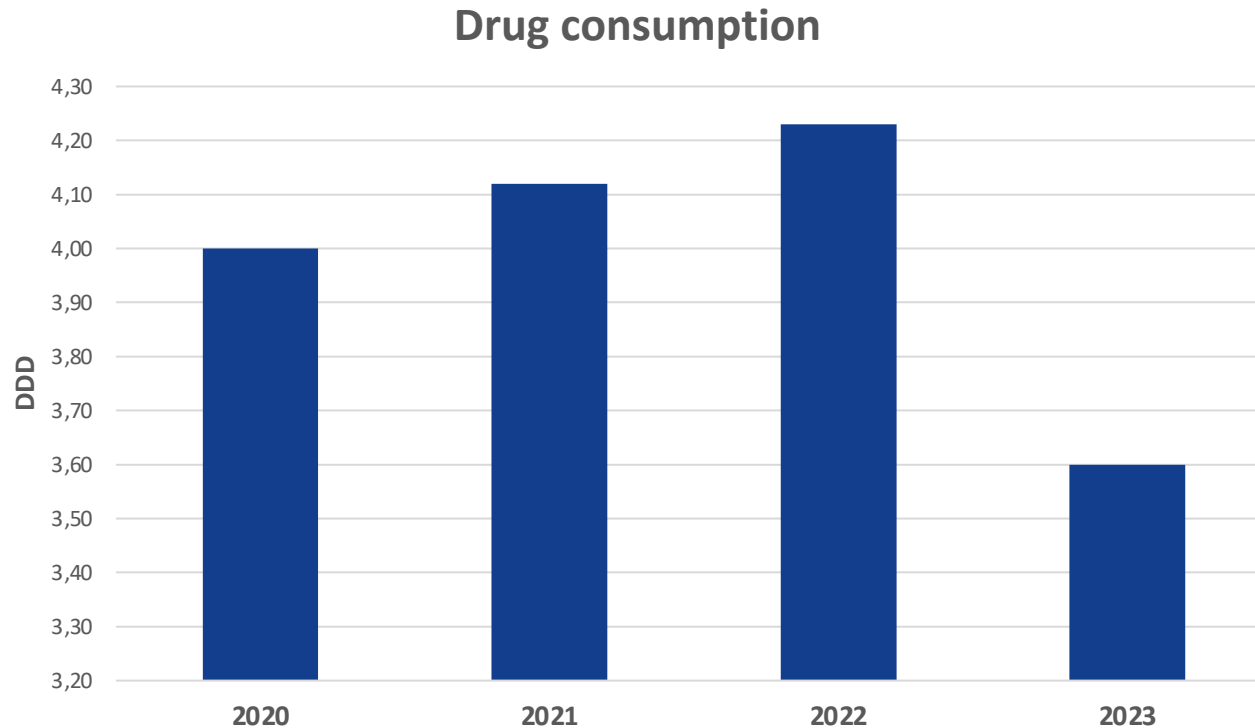






CRUSCOTTO FARMACO  
BIOMASSA AGGREGATO

## 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) Buonlatte

The '**Buonlatte**' 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



UNIVERSITÀ  
DEGLI STUDI  
DI MILANO



ALMA MATER STUDIORUM  
UNIVERSITÀ DI BOLOGNA

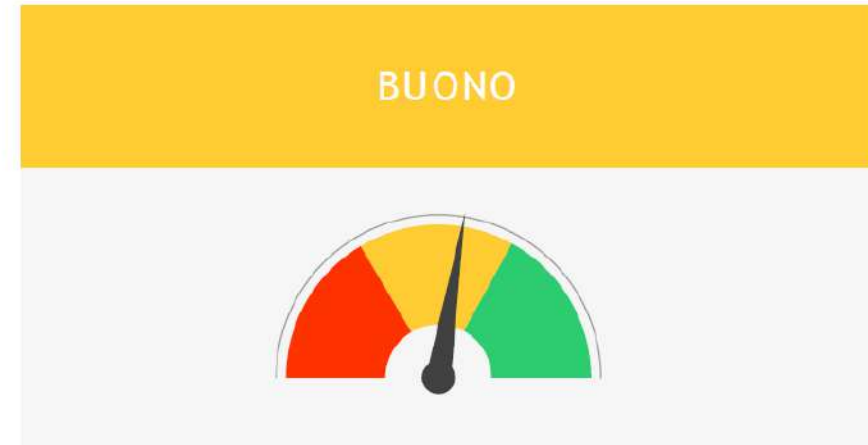


## The ADVANTAGE of our Buonalatte system

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.



SOCIO: SCOTTI ENRICO (229830) - ANNO 2024



VALUTAZIONE DEL BENESSERE ANIMALE ELABORATA DA C.R.P.A PER LA FILIERA GRANLATTE-GRANAROLO

# Points of IMPROVEMENT for the farmer



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



## Commenti

N.	Intervista	ID	Unità	Descrizione	MacroArea	SubArea	Commento
		Ques.					
010	5480	13121	01	Scheda B - Mungitura e gestione sanità mammella - 01	Gestione sanità mammella	Gestione sanità mammella	<p>La terapia antibiotica alla messa in asciutta rappresenta ancora il sistema più efficace per curare le infezioni esistenti soprattutto nel caso di presenza di batteri contagiosi. In assenza di batteri contagiosi, per la normativa vigente, è necessario applicare la terapia in asciutta selettiva con adeguato piano formalizzato.</p> <p>Si vedano le risposte date in una o più delle seguenti domande:</p> <p><a href="#">Terapia in asciutta</a></p>
011	5480	13122	01	Scheda C - Vacche in lattazione - 01	Vacche in lattazione	Rilievi indiretti su struttura d'allevamento	<p>A livello del capezzolo delle vacche in lattazione si possono osservare lesioni sull'apice e meno frequentemente sul corpo del capezzolo correlate alla presenza di sovra mungitura. Si considera ottimale meno del 10% degli animali con lesioni sul capezzolo rispetto a quelli valutati.</p> <p>Si vedano le risposte date in una o più delle seguenti domande:</p> <p><a href="#">Totali valutazione diretta animali</a> (<a href="#">Totali valutazione diretta animali</a>)</p>
01				Scheda B - Mungitura e gestione sanità mammella - 01	Gestione sanità mammella	Gestione sanità mammella	<p>[135] Numero di trattamenti antibiotici &gt; del 30% delle vacche in lattazione (ottimale= numero di trattamenti &lt; del 15% delle vacche in lattazione)</p> <p>Si vedano le risposte date in una o più delle seguenti domande:</p> <ul style="list-style-type: none"> <li><a href="#">Numero di trattamenti antibiotici per mastiti negli ultimi 12 mesi</a></li> </ul>

# EUROPEAN PROJECTS IN WHICH WE PARTICIPATED



**Unione Europea**

Fondo Europeo Agricolo per lo Sviluppo Rurale



Cofinanziato  
dall'Unione europea



**Regione  
Lombardia**



**PSR**  
2014 2020



**Programma di  
Sviluppo Rurale  
dell'Emilia-Romagna  
2014-2020**



UNIONE EUROPEA  
Fondo Europeo Agricolo  
per lo Sviluppo Rurale



**Regione Emilia-Romagna**

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







## OVERCOMING fixed housing

In our supply chain, farms are **no longer**  
**tethering livestock**



In March 2023, EFSA issued an update regarding animal welfare of dairy cows suggesting that animals should have more area available per head for decubitus: at least 9 m<sup>2</sup> of space per cow in indoor housing.

It also defined that there should be at least one cubicle available per cow.

Granlatte Cooperative immediately implemented the EFSA guidelines by notifying them to all farmers

## Welfare of dairy cows

Dairy cows need more space to move and rest, access to pastures, and regular monitoring for mastitis and metabolic disorders. These are some of the findings of the European Food Safety Authority (EFSA) in its latest scientific advice on the welfare of dairy cows. Our assessments on the welfare of farmed animals provide support for the revision of the legislation on animal welfare in the European Union.

### What is a dairy cow?

It is a female cow that has already given birth and is specifically kept for producing milk. These cows are bred or chosen for their ability to produce milk, which is then used for human consumption or to make dairy products like cheese, butter, and yogurt.



Cows are naturally social animals and **need to move around freely and rest comfortably**. It is important that they have **access to a well-drained pasture** where they can **graze** and have **access to shaded** areas to keep them healthy and productive.

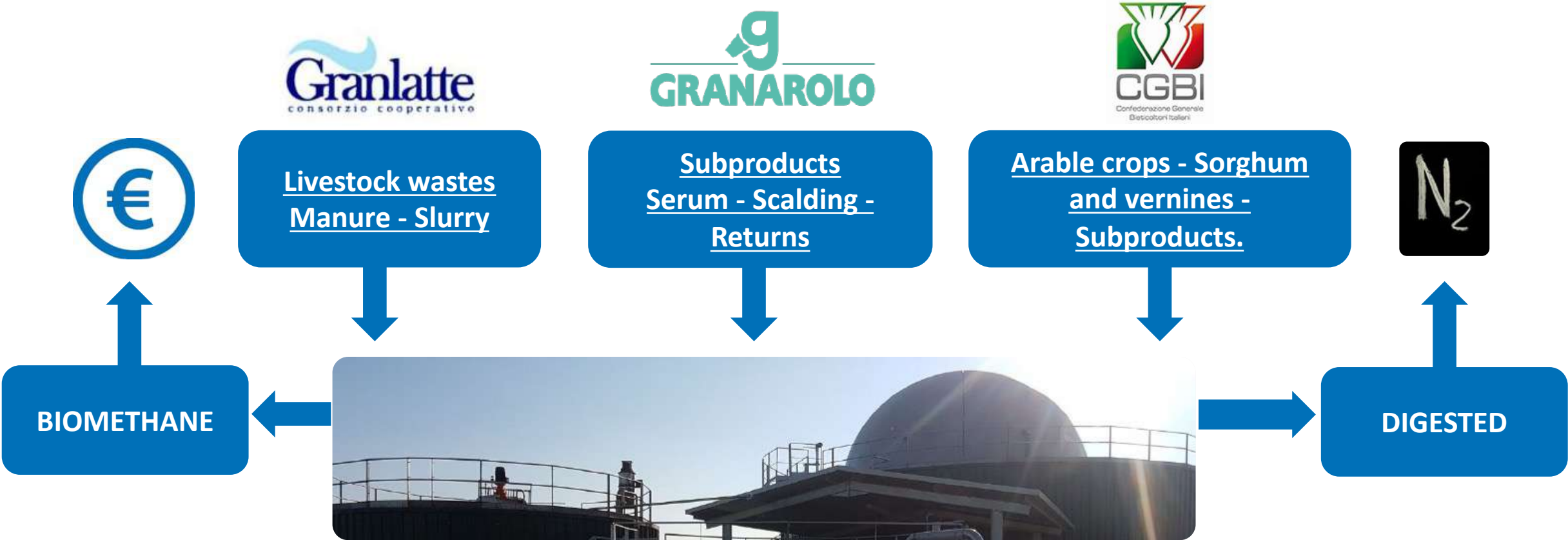
### How can their welfare be improved ?

-  Giving them enough space to move around freely and comfortably, and avoiding the use of tie-stalls.
-  Making sure that there is enough space for each cow in cubicle houses, by providing at least one cubicle per cow.
-  Ensuring that each cow has enough space to move and lie down comfortably, by providing at least 9m<sup>2</sup> of space per cow in indoor housing.
-  Providing sufficiently thick bedding material, to ensure that the cows are comfortable and healthy.
-  Having brushes available for cows in loose-housing systems to help them stay clean and comfortable.



Good animal welfare practices lead to improved wellbeing and ensure animals are healthier as a result. This is a key element for the safety of the food chain, considering the close links between animal welfare, animal health and foodborne diseases, in line with the principles of One Health.

# 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 CO<sub>2</sub> eq. into the atmosphere.

**As of now, 3 consortium companies have been formalized and 2 are in finalization process:**

- Gran Metano Mantua formalized
- Gran Metano Cremona formalized
- Gran Metano Brescia formalized
- Gran Metano Crema formalized December 2023
- Gran Metano Varese formalized December 2023





## Biomethane supply chain project

The benefits of the Biomethane project are many.

First of all, it is thanks to the Cooperative that farmers are able to participate in these projects, which are financed by the Cooperative: without it, farmers would not be able to participate.

In addition, the benefits to the farmer are as follows:

- **Reduction of CO<sub>2</sub> 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.**



# Biodiversity project in collaboration with Conapi



Drafting a specification for 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.



## DISCIPLINARE DI AZIONI STRUTTURALI PER FAVORIRE LA SALUTE DI API E IMPOLLINATORI NEGLI ALLEVAMENTI

Un progetto comune Granlatte-Granarolo e CONAPI-Mielizia

Il progetto prevede due stadi.

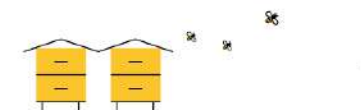
- 1) Il primo stadio può essere potenzialmente implementabile da tutte le stalle e prevede di attuare le seguenti azioni:
  - lasciare fasce di rispetto coltivate con essenze nettariere (vedere tabella a pag. 2) attorno ai campi di foraggio, indicativamente si quantifica la superficie in un paio di ettari;
  - la disposizione della arnia può avvenire direttamente su un solo appezzamento o sul bordo di un campo, distribuito in un'azienda, con una fascia che sia di almeno 5-6 metri di larghezza. In caso di adesione (totalmente facoltativa all'Ecoschema 5, parliamo di 2500 metri quadrati);
  - prevedere limitate aree nei pascoli dove non sia effettuato lo sfalcio precoce, lasciando andare a fioritura per nutrire api e impollinatori o sfalcando solo poco prima della comparsa dei semi. In particolare, si invita allo sfalcio dell'erba medica in età più matura;
  - installare o impegnarsi a mantenere siepi di confine con essenze nettariere. In alternativa, per chi non abbia ancora installato o non abbia possibilità di installare una siepe, implementare gli spazi verdi con diffusione di essenze nettariere;
  - evitare o limitare l'utilizzo di principi attivi dannosi per api e impollinatori (vedere lista pag. 4).
- 2) Il secondo stadio può riguardare in prima battuta alcune stalle selezionate, che abbiano già implementato le azioni indicate nel primo stadio.

In queste stalle, le azioni possibili prevedono:

  - installazione di apiari da parte di apicoltori di CONAPI, nei quali 2 alveari sono destinati a essere controllati periodicamente per testare la salute delle famiglie (posizionamento underbasket, verifica mortalità, ecc.);
  - a seguire e presta valutazione, prelievi periodici di api vive e morte e di matrici alveare, per valutare la presenza di sostanze quali metalli pesanti e pesticidi.



Ministero dell'agricoltura,  
della sovranità alimentare e delle foreste



# Biodiversity project in collaboration with Conapi



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)

**From January 2024**, we are the first company with the "ApprovedByConapiBees" mark, a voluntary environmental protocol symbolizing the Group's commitment to biodiversity, sustainability and community.

The "Approved By Conapi Bees" mark will be featured on the packaging of Granarolo Organic Milk.





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.

# Article 4(1)b





**Concluding remarks, takeaway  
messages and suggestions on  
public policies**

# What role of certifications?

For the Granlatte Group - Granarolo, certifications are important because:

- **PDO and PGI, ORGANIC, STG LatteFieno:**
  - product distinctiveness
  - transparency in production methods and controls, third parties certification
  - relationship with the territory
  - communicates values and quality to the consumer
- **EPD, CLASSIFARM, Various ISO, FSC, Carbon Trust**
  - Provide independent evaluation by qualified third parties
  - Follow a clear methodological path that helps define internal processes and their organisation
  - Provide additional assurance to our stakeholders on the results of our efforts

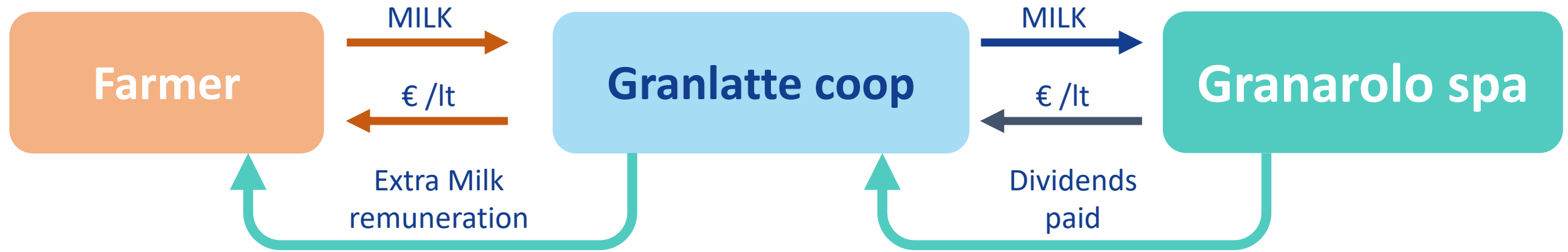
Our certifications are both public and private: they have all proved useful

## Elements of attention:

- Seriousness of certification bodies
- Avoid excessive proliferation of certificates on product labels because they confuse consumers
- A European sustainability label would be very useful (but we realise the complexity of the undertaking)



# Quality and milk remuneration policies



At the moment Granlatte diversifies prices paid to member milk producers as follows:

- **Base price:** (milk market price at stable)+milk quality prize (technical indicators of milk quality)
- **High Quality milk:** Base price + 1 cent/litre
- **Organic milk:** Base price + 10-13 cents/litre (13 for mountain farms)
- **STG LatteFieno:** Base price + 15 cents/litre
- **Organic, STG and HQ Certification receive a prize**
- **The implementation of sustainability project can give us tools to link remuneration policies to results obtain on certain target (emissions, drug use, animal welfare...)**

**WE ARE A  
COOPERATIVE,  
WE ARE  
FARMERS-  
OWNED!**

**Granlatte**  
consorzio cooperativo

**g**  
**GRANAROLO**



# Who pays the costs of sustainability?

## The role of public policies: supporting sustainability projects in a supply chain approach

- The transition to sustainable models entails such costs that private resources will still have to be matched by **public policy** resources, which retain a key role.
- The following is what we find most useful based on our experience:
  - In the experience of the **Granlatte - Granarolo Sustainability Project**, the co-operative has so far assumed a **large part of the** burdens of design, organisation, data management and platform set-up, with positive effects on members in terms of access to complex technological systems, which individual farmers would not have been able to cope with, and in terms of a partial reduction of bureaucratic burdens.
  - However, **the implementation and maintenance of the system is very demanding** and farmers must be supported in the innovation effort it entails for their farms

A **tool such as the CMO**, also applied to the dairy sector, to support **Sustainability Action Plans and investments in digitisation, certification and control systems** would be an excellent support to bring the necessary techniques and tools at the farm level





# Who pays the costs of sustainability?

## The role of public policies: research, innovation and its dissemination

- Solutions in the areas of animal welfare, reduction of enteric fermentation emissions, reduction of effluent management emissions, calculation of the fodder cycle and carbon footprint of livestock farms require **robust investments in research and innovation**, but also effective **dissemination** of results to encourage widespread adoption of the most sustainable methods
- Given the fragmented nature of the Italian and European farms, **an adequate diffusion of these innovations** within a reasonably short timeframe is ONLY possible if approached in **aggregated forms** (cooperatives, producer organisations, supply chains)

**Research and Innovation:** in our case, the **Innovation Operational Groups** within the **European** Innovation Partnership (**EIP**) proved to be useful and effective  
Continued collaboration with universities or research organisations, such as CRPA Research Center on Animal Production, have also made it possible to benefit from the results of more complex projects such as **Horizon, Life**, etc.

**Dissemination:** once again, the **CMO** could provide useful tools to foster the adoption of innovative best practices, as well as the **agro-climatic-environmental measures of the RDPs** (animal welfare, organic, agro-energy, biodiversity) and the **CAP eco-schemes** (animal welfare, drug reduction, organic) that can support farmers in the transition



# Enabling conditions

- Aggregation of farmers to enable innovation and sustainability projects along value chains
- Fair sharing of ecological transition's costs throughout the value chain
- Large-scale distribution awareness: no to policies based only on price
- Consumer awareness: Producing good, healthy and sustainable food costs money
- Compliance with UTP Directive: difficult if we do not have accurate calculations of production costs at sectorial and territorial level!
- Fair competition on EU market: no to double standards with imports
- CSR Directive can help in creating a more favorable environment

Granlatte

  
GRANAROLO  
GROUP

THANK  
YOU!!

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## President

Simona Caselli Article4(1)b

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