NURTURING THE FUTURE

ACTIVITY REPORT 2025

LACTALIS

Lactalis, the world's leading dairy group, is a French family-owned business founded in 1933 in Laval, in western France. Our sole mission is to nurture the future by offering the finest dairy products to satisfy consumers around the globe every day. With operations in 49 countries and 270 production sites, our 85,500 employees produce a wide range of dairy products — including cheese, liquid milk, yoghurt, butter and cream, dairy ingredients and nutrition products.

At the center of millions of households' daily lives, Lactalis offers products from iconic brands such as Président, Galbani, Parmalat and Kraft. As the global leader in protected designation of origin (PDO) products, we are committed to preserving unique dairy expertise.

This activity report provides a worldwide overview of our initiatives and results, highlighting the women and men who, in every region, bring our purpose to life.

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NURTURING THE FUTURE

BY STRENGTHENING OUR POSITIONS

20 years of Lactalis Kazakhstan

10 years of Lactalis Brazil

Expansion of the Galbani range in Brazil

Président crowned number one cheese brand in Georgia

"Our multi-local model remains a key strength."

In line with previous years, 2025 once again highlighted the agility companies need to sustain and grow their operations in an increasingly complex and unpredictable environment.

In this context, Lactalis's multi-local model remains a key strength. Producing locally what we sell locally limits our exposure to trade barriers, enhances our responsiveness and strengthens our presence in the regions where we operate. Combined with our expertise in dairy products, this approach underpins our strong foothold in nearly 50 countries. Once again this year, it enabled us to mitigate the impact of sometimes unexpected politicaldevelopments – whether they are new regulations, protectionist measures or diplomatic tensions.

In this evolving environment, Lactalis remained on course. Supported by the strength of our model and the commitment of our teams, we continued to grow, with sales reaching €31.2 billion.
In 2025, we continued to implement our international expansion and consolidation strategy. The integration of Midwest Yogurt's chilled dairy operations in the United States, Granja Pocha in Uruguay and the iconic Cremora brand in South Africa, together with the signing of an agreement to acquire Mainland's operations in Asia-Pacific, has strengthened our presence in key markets. This dynamic external growth complements the strong performance recorded across several regions. Our activities in the Americas continued to expand, while several European countries made significant efforts to drive organic growth, particularly through the development of new dairy products designed to attract new consumers. This approach is fully aligned with our strategic priorities: supporting organic growth, accelerating in our key dairy categories and maintaining a high level of industrial investment to sustainably prepare for the future.

Our purpose, "Nurturing the future", continues to guide our decisions. Dairy products are an essential part of diets around the world. More than ever, they meet expectations for naturalness, quality and nutritional value.

In 2025, our brands strengthened their connection with consumers through relevant innovations, the continuous improvement of our manufacturing processes and the expertise of our teams. This daily commitment underpins our leadership: it builds the trust of millions of families and brings our ambition to life.

Once again this year, we invested more than one billion euros in our industrial facilities to support growth, strengthen our expertise and accelerate the implementation of our environmental commitments. The rollout of decarbonised energy solutions – such as solar installations in Spain and India – the progress made in reducing our carbon emissions, and the advancement of our packaging initiatives, now 83% recyclable by design, all demonstrate our commitment to taking concrete action. Our ambition is also reflected in our societal programs, such as our Women in Lactalis initiative, and in our ongoing efforts to improve animal welfare, which has led to the auditing of more than 18,000 farms in our main countries since 2021.

The year 2026 will bring its share of challenges. In an increasingly uncertain world, our expertise in dairy production, entrepreneurial culture, multi-local model and ability to adapt will remain key strengths.
Lactalis can rely on strong foundations to approach the year ahead with confidence and continue its growth. Above all, our success is built on the commitment, professionalism, discipline and sense of responsibility demonstrated by our employees around the world. I have no doubt that, together, in 2026, we will continue to nurture the future with consistency, ambition and passion.

"Above all, our success is built on the commitment, professionalism, discipline and sense of responsibility demonstrated by our employees around the world."

EMMANUEL BESNIER
CEO of Lactalis

Highlights 2025

United States

Midwest Yogurt

General Mills' yogurt business

On 30 June 2025, Lactalis reached a new milestone in its transatlantic growth by finalising the acquisition of General Mills' yogurt business in the United States, announced the previous year. This strategic transaction strengthens our position in a particularly dynamic market and confirms our growth ambitions in the United States, the Group's second-largest market.
Nearly 1,000 employees from the dairies in Murfreesboro (Tennessee) and Reed City (Michigan), as well as from the headquarters in Minneapolis (Minnesota), joined Lactalis USA. Their expertise, combined with the heritage of iconic brands such as Yoplait®, Go-Gurt®, Oui®, Mountain High® and :ratio, strengthens our position in the chilled dairy market and will support the development of an innovative local offering.
This integration led to the creation of Midwest Yogurt, a new division dedicated to managing and developing our yogurt operations in the country, reflecting our ambition to sustainably expand our presence in the U.S. dairy market.

- 1,000 employees
- €1.2 billion turnover
- 2 production sites

Portugal

Queijos Tavares

Lactalis welcomed Queijos Tavares, a family-owned dairy group founded in 1996 and specialising in cow's, sheep's and goat's milk cheeses. Located between Seia and Fundão, in the heart of one of Portugal's most renowned cheese-producing regions, the group markets iconic brands such as Seia do Tavares, Serras de Penela, Damar and Monte da Soalheira, combining traditional know-how with innovation Its 120 employees have joined Lactalis Portugal, adding two new sites to our footprint in the country. This integration will strengthen the production and marketing of regional cheeses, expand our local offering and build on the momentum created by the integration of Sequeira & Sequeira in 2024, further consolidating our presence in Portugal.

- 120 employees
- €30 million turnover
- 2 production sites

QT GRUPO QUEIJOS TAVARES

South Africa

Cremora

In April 2025, Lactalis strengthened its presence in South Africa with the integration of Cremora, an iconic coffee creamer brand that has been part of South African households for nearly 80 years. This integration also included the addition of the Babelegi and Potchefstroom sites, further reinforcing our local footprint and bringing the number of manufacturing sites in the country to seven.
Nearly 300 employees have joined the local teams, further strengthening the momentum driven by a more diversified brand portfolio. The integration of Cremora supports the development of complementary offerings alongside traditional dairy products and reinforces our presence in a high-potential market.

- 300 employees
- €100 million turnover
- 2 production sites

Uruguay

Granja Pocha

In Uruguay, Granja Pocha joined the Lactalis family. This family-owned business is well known for its cheeses, yoghurts, desserts and *dulce de leche*, marketed under the Colonial brand. Based in Juan Lacaze, it processes nearly 60 million litres of milk each year and plays an important role in the local dairy landscape. Its 160 employees have joined Lactalis Uruguay, adding a new production site to our footprint in the country. This acquisition will support the development of cheese production and fresh local products, while expanding our offering in line with Uruguay's strong dairy tradition.

- 160 employees
- €35 million turnover
- 1 production site

Colonial

25 years of acquisitions

2003

ITALY
Inverzini

2006

ITALY
Galbani

2006 marked a major turning point: with the acquisition of Galbani, the leader in Italian cheese, Lactalis significantly strengthened its position in one of the fastest-growing segments at the time. With four cheese factories, 3,100 employees and €1.3 billion turnover, this acquisition played a key role in the Group's expansion in Europe.

2007

CROATIA
Lurat
(Dukat, Sirela)

2009

WALES
Lubborn

2010

SPAIN
Puleva

In 2010, Spain became a key focus with the integration of Puleva, the national leader in milk. This acquisition enabled Lactalis – already strongly established in the Iberian Peninsula – to become the leading player in the dairy market. A specialist in fortified milk, supported by four production sites, Puleva brought unique expertise and over €1 billion in sales, giving new impetus to Lactalis España.

2011

ITALY
Parmalat

2012

SWEDEN
Skanemejerier

2013

SLOVENIA
Ljubljanske Mlekarne

2014

INDIA
Thirumala

In 2014, Lactalis expanded its footprint in Asia with the acquisition of Thirumala, one of the leading dairy groups in Southern India. A producer of milk, cheese, *ghee*, *lassi*, *paneer* and ice cream, Thirumala operated seven production sites and employed 5,000 people. Its integration has firmly established the Group in the vast, dynamic and fast-growing Indian market.

2018

UNITED STATES
Siggi's

In 2018, Lactalis strengthened its presence in the United States with the acquisition of Siggi's, a skyr brand inspired by Icelandic tradition and known for its simple, low-sugar recipes with no added sweeteners. With $147 million in sales, it was one of the fastest-growing brands in the market.

BRAZIL
Itambé

In 2018, the integration of Itambé marked a new chapter for Lactalis in Brazil. A leading producer of liquid milk, fortified milk, milk powder, cream and butter, Itambé has established itself as a national benchmark. Its integration has strengthened the Group's presence in a fast-growing market and has given new momentum to Lactalis's development in the country.

2019

CANADA
Kraft Natural Cheese
Cracker Barrel, P'tit Quebec and Amooz

2020

ITALY
Nuova Castelli

2021

NETHERLANDS
Leerdamer

UNITED STATES
Kraft Natural Cheese
Cracker Barrel, Breakstone's, Knudsen and Hoffman's

CANADA
Ultima Foods
Lōgo, Lōgo Nanō and Olympic

2022

AUTRALIA
Jalna

2023

BRAZIL
Dairy Partners of America
(DPA)

2024

PORTUGAL
Sequeira & Sequeira

Key figures 2025

1st

World's leading dairy company

World's leading company in the cheese market

World's leading company in dairy fats (butter and cream)

World's leading player in PDO (Protected Designation of Origin) and raw milk cheeses

French agri-food company

2nd

Global company in the chilled dairy market

Global company in liquid milk

9th

Largest global food company

Litres of milk collected

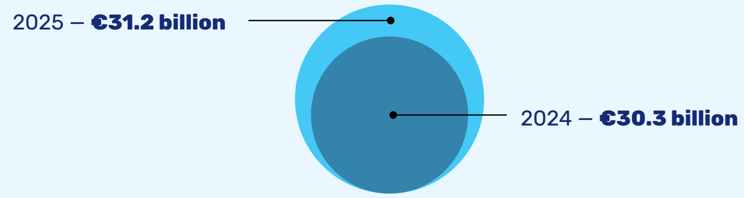
23.1 billion

Employees

85,500

2025 turnover

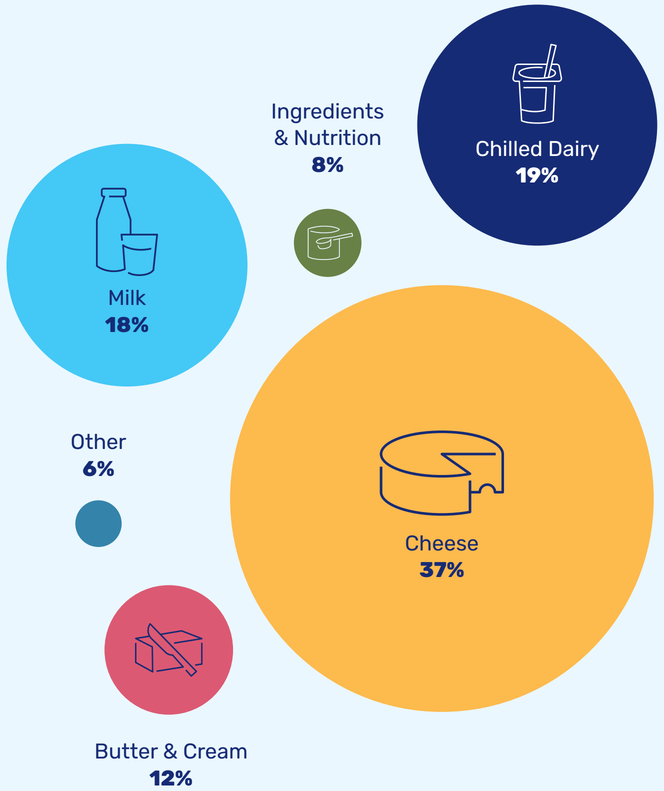
€31.2 billion



Turnover growth *versus* 2024

+3%

Breakdown of 2025 turnover by category



Breakdown of 2025 turnover by region

Our three flagship brands

PRÉSIDENT Galbani parmalat

A multi-local company

Lactalis continued to grow worldwide, achieving strong performances across all regions. Our multi-local strategy enables us to adapt to the unique characteristics of each country by manufacturing and offering products that appeal to local consumers. This strategy further strengthens our global leading position.

Europe

€16.2 billion turnover

12.2 billion litres of milk collected

42,500 employees

158 production sites

52 % of turnover

Americas

€10.3 billion turnover

7.6 billion litres of milk collected

25,500 employees

65 production sites

33 % of turnover

Asia, Pacific, Africa

€4.7 billion turnover

3.3 billion litres of milk collected

17,500 employees

44 production sites

15 % of turnover

NURTURING THE FUTURE *WORLDWIDE*

Vitavie named Best Innovation of the Year in France

Launch of I love Kéfir

Ukraine launches Président cheese spreads

Flor de Esgueva unveils its new product Gran Reserva

Covalact launches Cremos: creamy fruit treats

“Improve our agility to maintain our performance.”

2025 was a demanding year for your industry. Can a company continue to deliver performance in such a context?

Thierry Clément: In 2025, the geopolitical and economic environment became increasingly complex over the course of the year. Despite these challenges, Lactalis remained resilient. For the second consecutive year, our volumes increased — including at year-end — against a backdrop of growing uncertainty. We also continued to pursue our investment and acquisition strategy, further strengthening our positions in key markets.

This performance is, above all, the result of the commitment of our teams. Their efforts were essential in sustaining our performance and ensuring that our operations continued to run smoothly and efficiently, with the same passion and focus on quality. In some particularly challenging regions, their professionalism and ability to adapt were both remarkable and decisive in maintaining our activity.

How would you describe the dairy market in 2025, and what concrete impacts did you see?

T.C.: In 2025, the rise in milk prices came to an end, marking the close of a multi-year cycle. After a still dynamic start to the year, the market reversed in the second half, driven by a global increase in milk collection linked to particularly favourable production conditions. At the same time, demand in China remained weak, destabilizing international markets and triggering a rapid decline in industrial prices. As a result, butter prices halved within just a few months. This shift quickly impacted milk prices, particularly in Europe, where volumes increased significantly across most countries.
Our milk collection volumes remained stable at 23.1 billion litres, although disparities persisted across regions. In this challenging environment, our priority was to manage volumes rigorously while maintaining exemplary industrial performance, ensuring we continued to serve our customers and markets effectively.

Which product categories were the main performance drivers for Lactalis in 2025?

T.C.: Our turnover continued to grow in 2025, supported by strong commercial fundamentals and driven by sustained growth in branded volumes. This reflects consumers’ increasing preference for our iconic products and brands.
Chilled dairy was one of the most dynamic drivers of this growth. Now the Group’s second-largest product category after cheese, it meets consumer expectations for naturalness, simplicity, nutritional value and enjoyment. Several brands performed particularly well. Siggi’s delivered another remarkable year, with close to 30% growth, and strong performances in Canada, the United States and France. Stonyfield also posted strong growth in the United States, while Lindahls, iÔGO and Yaos all strengthened their market positions.
Other dairy categories also made significant progress. In France, Bridélice established itself as the leading cream brand, while our traditional Italian cheese brands, Castelli and Ambrosi, saw a strong recovery, reflecting consumers’ deep attachment to regional specialities and local quality.

From a geographical perspective, the Americas were the primary growth driver, supported by a dynamic market environment, the strength of our local brands and the recent integration of operations, including Midwest Yogurt and Kraft Natural Cheese. Results were more mixed in Europe, where volumes declined towards the end of the year despite the solid performance of several long-standing brands. The Asia, Pacific and Africa region continued its upward trajectory, driven by growth in Australia, Turkey and South Africa. The quality of our products, combined with the strength of our brands, the diversity of our markets and the expertise of our teams were decisive factors in sustaining the Group’s overall performance.

“Our brands’ dynamism remains a priority in order to generate value throughout the dairy supply chain.”

Each year, Lactalis launches hundreds of innovations worldwide. What trends emerged in 2025?

T.C.: As in previous years, we launched products aligned with consumer expectations, focusing on high-growth trends. For example, we introduced new protein-enriched ranges under the Pauls and Parmalat brands, we recorded strong growth in kefir products under the Nestlé and Içim brands, and we saw a remarkable increase in sales of Président cottage cheese.
Liquid milk also performed particularly well, with Lactel VitaVie — named best innovation in France — selling more than 20 million litres in its first year.

You regularly invest in your facilities. What key projects did you undertake in 2025?

T.C.: Industrial excellence remains at the core of our model. In 2025, we invested more than €1 billion to modernise our sites, strengthen capacity and sustainably improve production costs. Key projects included the inauguration of a new cottage cheese production line in Romania, the expansion of yoghurt pouch production capacity in the United States, and the installation of a Delical production line in Italy for this clinical nutrition range. These projects, often carried out without interrupting production, demonstrate the expertise and operational excellence of our teams.

We also continued to advance our CSR commitments, achieving significant progress. Since 2019, our direct emissions (Scopes 1 and 2) have decreased by 13%. In Scope 3, 84% of our non-FLAG (Forest, Land and Agriculture) suppliers have now aligned their trajectories with Science Based Targets initiative (SBTi) guidelines. Our supply chains have also become more resilient, and we have notably reached 96% certified paper and cardboard.
Our packaging initiatives have enabled us to reduce weight, increase the use of recycled materials and improve recyclability.

Finally, the CowSignals program, rolled out across 21 countries, continues to enhance our animal welfare standards. Together, these improvements strengthen our competitiveness and support our trajectory towards more sustainable and responsible growth.

What are your operational priorities for 2026?

T.C.: In 2026, we will continue to affirm that dairy products are an essential part of a healthy and accessible daily diet.
They play a key role for millions of consumers, and this lies at the heart of our purpose: Nurturing the Future.
Our priority will be to maintain consistent operational excellence in what remains a demanding environment.
This will require rigorous volume management, consistently high industrial reliability, and close monitoring of market signals.
We will also continue the transformation we have initiated by enhancing our industrial performance, developing product innovations aligned with consumer expectations and emerging trends, and making further progress on key environmental priorities.

I firmly believe that our success depends above all on our teams. At Lactalis, we know we can rely on a broad palette of expertise spanning more than 100 professions.
Each employee plays a full part in our collective success. Thanks to them, we look ahead to 2026 with confidence and ambition.

THIERRY CLÉMENT
Chief Operating Officer

Europe: staying the course while preparing for the future

In 2025, the environment in Europe was marked by subdued consumption, while increased milk collection in several countries led to imbalances in certain markets. In this mixed context, we continued to adapt our model, drawing on the strength of our brands, innovation and active portfolio management. These levers enabled us to meet consumer expectations, preserve the competitiveness of our products and consolidate our positions in key markets, while preparing for future growth.

France: Innovation as the main performance driver in a complex environment

In France, 2025 was a mixed year, marked by a less buoyant market and subdued consumer spending. In this context, innovation remained a key lever, and our brands once again demonstrated their strength: Galbani achieved record sales, Siggi's continued its strong momentum, and Bridélice is now the leading cream brand in France.
In 2026, our priority will be to sustain this momentum by building on our strengths.
While the environment is expected to remain challenging, efforts will focus on strengthening competitiveness, gradually returning to volume growth and accelerating our sustainable transformation. Bringing more negotiations back to France will also be a key priority, essential to preserving value creation within the sector and securing the future of our model.
In a context highly sensitive to purchasing power, we will focus on enhancing the attractiveness of our brands. Continued industrial investment and innovation will remain essential to offering consumers products that combine quality, trust and accessibility.

France

The Clermont-de-l'Oise dairy reaches a new logistics milestone

Lactalis France has inaugurated a state-of-the-art stacker crane at its historic Clermont-de-l'Oise site, which has been operating in the region for over 60 years. This €20 million investment now enables all products – nearly 17,000 pallets – to be stored on site, eliminating transfers to a warehouse located 55 km away and significantly reducing the site's carbon footprint. Carried out in consultation with local authorities and the Architect of the Buildings of France (Architecte des Bâtiments de France, ABF), the project also included the creation of 4,000 m² of green space.
Combining industrial and environmental ambitions, the site collects 215 million litres of milk annually from 495 producers and processes 170 million litres of UHT milk, notably for the Lactel brand.

France 3

A new spread format, for modern everyday use

To revitalise the cream market and attract new consumers, Président and Bridélice introduced a new 30 cl pouch format. This innovation builds on the complementary positioning of the two brands: Bridélice, a leading brand in light cream, and Président, the expert in full-fat cream.
Designed for convenience, the pouch also ensures better preservation – up to 15 days after opening – thanks to protection from air and light. It meets consumers' growing expectations around reducing food waste. Supported by a strengthened media plan for both brands, the launch achieved 80% distribution within just three months and strong in-store visibility, making it a clear commercial success.

France 1

Président launches Emmental Gros Brin, made from 100% French milk

Among the year's standout innovations, Président introduced Emmental Gros Brin, a thick grated cheese specially designed for gratin dishes, launched on 1 April. Produced from 100% French milk at our Charchigné cheese factory (Mayenne), it reflects our commitment to revitalising the category while staying true to the quality standards of this iconic cheese.

1

2

3

France 2

Cheddar wins over consumers with Kraft launch in France

Once largely confined to burgers, cheddar is now making its way into French households. Originating in the 12th century in the village of Cheddar, England, this hard cheese is finding new uses thanks to its bold flavour and melting texture. Its growing popularity reflects rising demand for comforting, cheese-based recipes – croque-monsieur, gratins, sauces and the iconic mac and cheese.
Kraft's launch in France taps into this growing appetite. An iconic cheddar brand since 1905, Kraft offers a comprehensive range designed for consumers seeking simple, convenient cooking solutions: grated cheddar, cheddar spread and ultra-melting slices for burgers and sandwiches. True to the brand's signature taste, these products combine convenience with indulgence. Early results show strong momentum, confirming growing interest in cheddar in France and highlighting significant growth potential for 2026 in a fast-expanding category.

France

Siggi's unveils its drinkable skyr

Inspired by traditional Icelandic recipes, Siggi's drinkable skyr stays true to the brand's commitment to simplicity. Available in three flavours – vanilla, raspberry and mango-passion – it is made with short ingredient lists, free from unnecessary additives. Each product contains 30% less sugar than the average flavoured or fruit yoghurt on the market, with no artificial sweeteners, preservatives, flavours or colors. With this launch, Siggi's reinforces its positioning: dairy products with no compromise on taste or quality, designed for consumers seeking more natural choices.

France

The Mayenne dairy reaches a new milestone in low-carbon production

A major step in its energy transition was achieved in April 2025 with the commissioning of a biomass boiler, replacing the former gas boilers. Launched in 2023, the project was carried out with the support of five local companies and represents an investment of nearly €13 million. Sourcing wood chips from the Pays de la Loire, Normandy and Brittany regions further anchors the project locally. The new infrastructure has created 15 jobs, including four dedicated to operating the biomass facility. Reducing annual fossil CO_2 emissions by 80%, this transformation makes the Mayenne dairy – processing 420 million litres of milk each year – one of the Group's most advanced sites in terms of decarbonisation.

France

Irrésistible: a chocolate mousse combining tradition and technology

After five years of research and development, La Laitière introduced Irrésistible, a chocolate mousse that recreates a traditional recipe using a patented whipping technology unique on the market. Backed by a €2.5 million investment, this innovation enables egg whites to be incorporated directly into the chocolate ganache while ensuring excellent stability – a particularly complex technical achievement. Produced at our Bayeux dairy, Irrésistible has already won over consumers, with 73% repurchase after first trial.

Southern Europe: strong performance and a strengthened portfolio

Despite continued pressure on volumes, Southern Europe delivered a solid performance overall. In Italy, traditional Ambrosi and Castelli cheeses had a very successful year, while other categories proved more challenging. Notable innovations included barista products, mini burrata and cottage cheese.
In Portugal, recent acquisitions such as Sequeira & Sequeira and Quijos Tavares complement the Galbani and Président ranges, enabling us to offer a broader portfolio of products.
Romania once again delivered strong results and continued its transformation, optimising its logistics network and driving innovation —such as Covalact's creamy yoghurt, already a major success.
In Spain, Puleva stood out thanks to a winning combination of continuous innovation, strengthened media visibility and diversified channels (retail, horeca, direct-to-store). Across the region, key brands – including Galbani, Rarăul and El Ventero – are being modernised, while high-protein products are gaining momentum and innovation platforms are being further structured. The Southern Europe cluster, including contries such as Croatia, Slovenia, Bosnia and Serbia, continued to perform well.
In 2026, the priority will be to consolidate this momentum and return to growth in branded volumes, focusing on the most promising categories.

Espagne

€1.059 billion

Lactalis España's direct contribution to the Spanish economy, driven by a strong industrial network and a robust portfolio of brands present in millions of households.

**Source: Lactalis España internal data (management control). Direct economic contribution includes local sales, employment, investments (CAPEX, R&D, marketing) and taxes.*

France

Lactel® committed alongside *Secours populaire français*

To mark the 80th anniversary of Secours populaire français, the Lactel Corporate Foundation® took part in the Journée des Oubliés des Vacances (a day out for children who do not go on holiday), a major summer event held across more than sixty free-access sites in Paris, bringing together 40,000 children on the Champ-de-Mars. A partner of Secours populaire for six years, Lactel® also shared educational content on balanced breakfasts. Children received the "Breakfast Wheel", a game designed to help them build a balanced meal – at a time when one in four children still skip breakfast each morning. This initiative reflects Lactel®'s commitment to nutrition, health and equal opportunities.

Spain

Women in Lactalis: empowering talent

Lactalis España has launched Women in Lactalis, a network dedicated to supporting the career development of women within the Group. Built around mentorship, inclusive leadership training and inspiring role models, it provides a structured framework to foster progression and strengthen women's representation across all areas of activity. Part of a broader commitment, this initiative positions inclusion as a sustainable lever for collective performance.

Croatia 4

Dukat, a year of innovation to engage Gen Z

In 2025, Dukat focused strongly on innovation to connect with Gen Z – a generation seeking novelty, convenient formats and shareable experiences. Combining new product launches with content tailored for digital platforms, the brand strengthened its connection with younger consumers. As the leader in chocolate milk, Dukat revitalised the category with "Dukat Summer Coco", co-developed with its social media community. Initially launched as a limited edition, the product proved highly successful and has since become a permanent addition to the range. Dukat also expanded its portfolio with "YOShake", a refreshing and indulgent yoghurt drink available in modern, milkshake-inspired flavours.
This innovation momentum was recognised with the title of Coolest Dairy Brand by JoomBoos, the leading media platform dedicated to Gen Z in Croatia – an award voted directly by its target audience.

Spain 5

Puleva launches Spain's first collagen-enriched milk

Puleva is expanding its Vita Calcio range with a first for the Spanish market: skimmed milk enriched with collagen. Named Vita Calcio Colágeno, this product combines collagen, vitamin C, calcium, magnesium, protein and vitamin B12 in a formula designed to support everyday mobility and joint health – meeting growing demand for functional nutrition without compromising on taste.
This launch reinforces Puleva's commitment to making innovation accessible across all age groups.

4

5

Italy

At Corteolona, Galbani celebrates 100 years of expertise

In October 2025, the Corteolona dairy – home to Galbani since 1925 and its largest mozzarella production site – celebrated its centenary. More than 5,000 people, including employees, their families and local stakeholders, gathered to honour a site that has shaped a century of Italian cheese-making tradition. Beyond the celebrations, the milestone highlighted Corteolona's unique place in the Italian cheese landscape: a site deeply rooted in its region, where traditional know-how and modernisation come together to uphold Made in Italy excellence. Marking this centenary, Galbani reaffirms its heritage, the strength of its local roots and the pride in know-how passed down from generation to generation – looking ahead to the next century with the same passion.

Italy

6

Collecchio strengthens industrial capabilities for Delical drinks

To support the transfer of UHT hyper-nutritional Delical drink production to Italy, the Collecchio site designed and installed a fully dedicated production line in record time. This state-of-the-art infrastructure includes a new-generation blending room and a direct UHT system. Since September, it has enabled the production of 200 ml fruit drink cartons, with an annual capacity of 25 million packs.

Backed by an investment of nearly €6 million, the project mobilised engineering teams, R&D and international partners to implement these new technologies within a particularly demanding timeframe. Combining technical performance with operational agility, it demonstrates our ability to deliver a strong industrial response to evolving consumer needs.

Northern Europe: maintaining momentum in a demanding environment

In a particularly challenging environment – marked by declining out-of-home consumption, reduced branded volumes, rising milk prices, adverse currency effects and geopolitical tensions linked to the war in Ukraine – Northern Europe maintained positive momentum. This performance was supported by the strength of Italian cheeses, whose volumes have doubled over the past six years, driven by the expansion of Castelli in the Nordic countries and the premiumisation of hard cheese ranges. Sustained efforts are also strengthening brand presence in traditional markets.

In Georgia, Sanebo expanded its range with the launch of Imeretian cheese. In Germany, Greco refreshed its brand identity to reaffirm its 100% Greek heritage and origin.

Against a backdrop of price deflation and cost inflation risks, priorities for 2026 will include strict cost control, adaptation to evolving market conditions, and continued innovation in chilled dairy and cheese across key markets in the region.

Ukraine

With three launches, Fanni sustains strong growth path in Ukraine

The Ukrainian brand Fanni expanded its portfolio with three locally produced innovations: 2.5% milk (1L), fromage frais and 15% crème fraîche. Without any media campaign or in-store support, the brand nonetheless delivered a standout performance, with volumes up 27% and turnover up 20%.
This expansion strengthened Fanni's presence in everyday consumption, while consolidating its position in key categories for Ukrainian households. With more than 20 years of dairy expertise, the brand continues to follow a resilient and sustainable growth path, driven by consumer trust and local production.

6

Switzerland

Fit4Hope: a collective show of solidarity

In Switzerland, Lactalis teams rallied around Fit4Hope, a local initiative combining physical activity with solidarity to support families affected by childhood cancer and young athletes pursuing their ambitions. Over several days, employees took part in a range of sporting activities – walking, running, hiking and cycling – while others contributed through a charity sale, amplifying the initiative's collective impact. More than just a shared experience, this initiative reflects Lactalis Suisse's commitment to projects that make a tangible difference in local communities.

Romania

Lactalis Romania: boosting logistics training

In Romania, Lactalis has launched its first work-study program focused on operational logistics. Developed in partnership with the 1 Decembrie 1918 University of Alba Iulia and several companies, this pioneering initiative strengthens our attractiveness to young talent.

Located near the Oiejdea logistics hub, the program combines academic learning with Northern Europe: maintaining momentum in a demanding environment hands-on experience in Lactalis Romania's logistics centers. Students benefit from comprehensive support, including scholarships, dual tutoring, access to professional tools and career opportunities within the company. Through this initiative, Lactalis Romania reinforces its role as a committed local player, contributing to the structuring and modernisation of logistics education.

Germany

Extra Mild: Leerdammer's new cheese innovation

Leerdammer Extra Mild is a new sliced cheese developed to appeal to a more family-oriented audience. With a milder taste, it retains the brand's signature characteristics: a smooth texture and a light fruity note. Positioned as an alternative to traditional German *Butterkäse*, it is ideal for simple, versatile everyday use. Early results have confirmed the relevance of this launch, with the new recipe ranking first among cheese innovations by penetration rate, and sales quickly exceeding targets. Following its success in Germany, the brand will roll out Extra Mild in Belgium and is considering its introduction in France, with the ambition of reaching more families across Europe.

United Kingdom 7

Lindahls expands with a new high-protein range

Lindahls reached a new stage in its development in the United Kingdom with the launch of a range of high-protein milk and cheese products, complementing an offering that had previously focused on chilled dairy. Spanning fromage frais, sliced cheese, protein drinks and collagen-enriched recipes, this expanded portfolio meets rapidly growing demand: nearly 70% of British consumers report seeking high-protein products. This launch strengthens the coherence of the Lindahls portfolio and its ability to meet everyday consumer needs. Early results have confirmed the potential of this strategy, marking a key milestone for the Group and reinforcing our ambition to support the development of dairy, health and protein ranges across all our markets.

**Source: Kantar*

Sweden 8

Ära: a new benchmark in Swedish cheesemaking

In May 2025, Skånemejerier and Allerum introduced Ära, a new hard cheese made exclusively from Swedish milk. Developed over several years at Kristianstads Mejeri, it stands out for its intense aroma, combining caramel and umami notes, with a flavour profile inspired by Nordic cheese traditions. First presented at the Stockholm Cheese Festival, Ära™ was immediately praised by both experts and the public. Available in three intensities — mild, medium and aged — it is suited to both everyday consumption and tasting occasions.

Part of a broader investment strategy, this launch reflects Skånemejerier's commitment to strengthening the production of cheeses made from Swedish milk and driving local innovation. The company has invested more than SEK 60 million (approximately €6 million) to support this ambition. With Ära™, Skånemejerier reaffirms its commitment to enhancing the value of Swedish milk and promoting Scandinavian cheesemaking expertise.

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Focus on the R&D

2025: a turning point for burrata, with expertise now in-house

Burrata is experiencing strong growth outside Italy, particularly in France and the United States. France is now the world's leading market, accounting for nearly 50% of export volumes for some Italian producers — clear evidence of its growth potential. However, this expansion faces a key constraint: a relatively short shelf life, limiting exports beyond Europe.

In response, Lactalis has made the strategic decision to bring production in-house. Until now, this typically Italian cheese had been partly produced through co-manufacturing.

Burrata production relies on complex artisanal processes: a mozzarella shell enclosing a stracciatella center, shaped through precise manual techniques. The closing of the mozzarella ball — an essential step to prevent leakage — perfectly illustrates this level of craftsmanship: a meticulous gesture, traditionally performed by hand, that directly impacts the product's shelf life.

Over more than a year, Lactalis mobilised its industrial, R&D and marketing teams — backed by a €6 million investment to — optimise and industrialise this demanding production process while preserving the product's authenticity.

The project was carried out at the Campoformido site in eastern Italy. A historic Parmalat site already specialized in mozzarella and Montasio PDO (a traditional pressed cheese from north-eastern Italy), it provided an ideal industrial setting.

Located in a region boasting a rich ecosystem of high-tech SMEs, the R&D team conducted extensive trials, adapting and developing equipment to ensure high-quality, reproducible burrata production in line with strict specifications and consumer expectations.

As a result, Campoformido became a reference site in 2025, combining traditional know-how with industrial

excellence. With uses becoming increasingly diverse — from pizza toppings to pasta dishes — burrata now benefits from a controlled, scalable process that supports its growth and the international outreach of products Made in Italy.

Sweden

Skånemejerier reaches 100% renewable energy across its production sites

In 2025, Skånemejerier reached a major milestone in its climate journey, achieving 100% renewable energy use across its dairy and cheese production sites. After increasing the share of green energy to 99% across its four sites in 2024, the company completed the transition by replacing fuel oil with HVO100 biofuel at its Hjo dairy. Its energy mix also includes biogas produced on a partner farm using by-products from the site. This achievement reflects sustained investment and the teams' commitment to accelerating the decarbonisation of operations.

Americas: Gaining momentum from Canada to Brazil

Over the course of 2025, our operations across the Americas became more closely aligned, enhancing the consistency of our commercial approach and supporting growth in key categories. The integration of Midwest Yogurt strengthened our position in chilled dairy, a category that continued to grow steadily across the region, driven in particular by the ongoing success of Siggi's in the North American market. In the United States, this momentum was supported by strong performances from Kraft natural cheeses, while in Canada, the milk division and high-protein product ranges continued to gain market share.

In the southern part of the continent, Brazil continued its upward trajectory, building on several years of steady growth. The acquisition of Granja Pocha in Uruguay paved the way for additional production capacity and a stronger regional footprint. Together, these developments made the Americas a key growth driver, poised to further increase its contribution in 2026 through team consolidation, industrial integration and the acceleration of local innovation.

USA

A culinary center in Buffalo to drive innovation

In January 2025, Lactalis USA inaugurated its Culinary & Sensory Institute in Buffalo, dedicated to product innovation and the development of customer relationships. Equipped with both professional and domestic kitchens, the center enables Lactalis USA's chefs to explore new applications, co-create recipes with customers and foodservice partners, and conduct sensory panel sessions to ensure product quality and consistency.

This $2 million investment forms part of a broader program — over $123 million between 2020 and 2027 — aimed at modernising facilities in the United States, particularly those dedicated to mozzarella, ricotta and whey powder production.

Canada

A year of HR recognition for Lactalis Canada

In 2025, Lactalis Canada further strengthened its position as an employer of choice. Forbes ranked the company among Canada's Best Employers, where it was the only dairy company featured, and it was also among the Top 10 in the Food & Beverage category. For the second consecutive year, it was recognised as one of Greater Toronto's Top Employers by Mediacorp, highlighting the strength of its innovative HR practices and the quality of its work environment.

In addition, the Delta site (British Columbia) received the Outstanding Workplace – Health and Safety Direct Award from BC Food & Beverage, reflecting the teams' ongoing commitment to health, safety and operational excellence.

GREATER TORONTO'S TOP 2025 EMPLOYERS

Forbes CANADA'S BEST EMPLOYERS 2025

Canada

Lactalis Canada, a pioneer of the Canada Grocery Code

In July 2025, Lactalis Canada became the first supplier to join the Office of the Grocery Sector Code of Conduct, which sets out guidelines aimed at promoting fairness and stability across the industry, particularly in relationships between major retailers and their suppliers. This milestone membership helps establish the Canada Grocery Code as a new benchmark for responsible business practices in the sector.

Canada

Buy Canadian: brands celebrate their national identity

With the launch of its Buy Canadian Grocery Guide, Lactalis Canada aims to highlight the Canadian origin of its products. The guide provides consumers with a simple, at-a-glance tool to identify products labelled "Made in Canada," "Product of Canada," or bearing the Blue Cow logo, a symbol of quality and national production.

In 2025, this initiative came to life through the Astro brand's "So Canadian" campaign, launched around Canada Day. The campaign featured a mural at Pearson International Airport, special-edition packaging, and a key moment: a visit by the Prime Minister of Ontario to the Etobicoke site, shining a spotlight on the teams and expertise behind some of the country's most popular yoghurts.

USA

:ratio expands its range with a high-protein, fibre-rich yoghurt

Lactalis USA has strengthened its portfolio with the launch of :ratio Pro Fiber Yogurt, offering 20g of protein, 10g of fibre and 0g of added sugar. Designed for everyday consumption, this new product responds to growing demand for convenient, nutrition-focused options, targeting both consumers seeking higher protein intake and those looking to maintain a balanced diet. Positioned in a fast-growing segment, :ratio is a pioneer in the U.S. market, particularly among consumers seeking options compatible with GLP-1 therapies. Early results have confirmed strong growth potential in an expanding category.

USA

Kraft modernises its offering with protein-rich cheese sticks

Kraft Natural Cheese has expanded its range with Big Cheese Protein Sticks, offering 17g of protein per stick with reduced fat. This launch taps into strong demand in the U.S. market for simple, convenient, high-protein products. With this ready-to-eat format, Kraft meets the needs of consumers seeking nutritious everyday snack options. The new range strengthens the brand's presence in the snacking segment while showcasing its long-standing cheese expertise.

Brazil

Parmalat Fit: a new high-protein boost in Brazil

In a still-emerging but fast-growing high-protein yoghurt segment, Parmalat Fit is standing out with a comprehensive range, including single-serve formats, family-size tubs and pouches. The brand's promise is to deliver the right balance of protein, taste and everyday convenience. From launch, it quickly gained traction, driven by growing consumer interest in functional nutrition, and reached an 11.5% market share. This innovation forms part of a broader strategy to sustainably shape the sports nutrition segment through the creation of Parmalat Fit, a dedicated sub-brand encompassing all Parmalat protein-enriched products, including drinks, powders, yoghurts and cheeses. The launch of the yoghurt line is therefore a key milestone in strengthening this positioning and establishing Parmalat Fit as a benchmark in the Brazilian high-protein market.

Colombia

Improving road safety for our teams

In Colombia, 2025 marked the launch of "Nurture Your Route, Take Care of Your Life," a road safety program targeting our sales force. Its objective is to reduce risks associated with the use of personal vehicles for business travel. The comprehensive program includes document checks, dedicated training, distribution of personal protective equipment, preventive maintenance and real-time monitoring via a mobile app.

The initial results have been excellent, with an 88% reduction in accidents. By fostering a culture of prevention, Lactalis Colombia is protecting its employees while asserting its commitment to road safety.

-88%

reduction in traffic accidents following a road safety awareness campaign for Lactalis sales representatives in Colombia.

Mexico

Supporting the ramp-up at the San Miguel de Allende cheese factory

Strategic investments were made at the cheese factory in San Miguel de Allende, which produces the Esmeralda product range, to enhance working conditions and overall site performance. One of the main projects, the automation of the Cubicados production line (cube formats), has enabled a reduction in certain manual operations while improving process consistency and supporting a significant increase in volumes compared with 2024 (+24%). The site was also equipped with a new oven for processed cheese, further standardising production and meeting export requirements. As a result, Kraft Singles slices were exported for the first time to Venezuela, marking a major milestone for the site's development.

Canada

iÖGO and iÖGO nanö enter the frozen dessert category

Lactalis Canada has expanded into the frozen dessert category through a licensing agreement with Nestlé Canada. This has led to the launch of a range of iÖGO and iÖGO nanö products available in bar, tub and pop formats, extending these trusted brands into a high-potential segment and creating new opportunities to enjoy them.

Jamaica

Président now available in Jamaica

In 2025, Lactalis reached a new milestone in its Caribbean expansion with the launch of Président in Jamaica — a mid-sized market but with strong growth potential. Previously driven primarily by the Kraft brand, local sales gained almost 20% compared with the previous year. Président butters, creams and Brie and Camembert cheeses are now available and are beginning to attract local consumers.

Brazil

Itambé Zero makes its mark in Brazil's functional yogurt market

Lactalis Brazil launched Itambé Zero, a comprehensive range of sugar-free, fat-free and lactose-free yogurts, designed for consumers seeking lighter, everyday options without compromising on taste or convenience.

Teams focused on developing simple recipes, a variety of formats and a distinctive visual identity to ensure the products are easily recognisable on shelves. The rollout was supported by a comprehensive, multi-channel communication plan — spanning TV, radio, digital and in-store — to establish Itambé Zero as a regular choice in Brazilian households.
Just a few months after launch, sales have significantly outpaced market growth, making Itambé Zero one of Lactalis Brazil's standout new products of the year.

Chile

A space dedicated to employee skills development

In 2025, Lactalis Chile took its support for operational employees a step further with the creation of the Learning Corner at its Talagante facility.

Designed as a quiet space entirely dedicated to learning, it provides teams with easier access to digital tools and to the Group's training platform, Learning Factory, available on twenty new tablets.

Inspired by initiatives implemented in other Group countries, this program has significantly improved training conditions and fostered a culture of continuous learning. Early results are already visible, with a growing number of employees engaging in training: more than 1,200 training hours have been completed and new courses tailored to operational roles have been rolled out.

Through this initiative, Lactalis Chile is strengthening skills development across its teams, reflecting the Group's commitment to actively supporting employees' professional growth.

Brazil

"Field Days" program for Brazilian cattle breeders

Launched several years ago in partnership with local stakeholders, Lactalis Brazil expanded its Field Days program in 2025. Over the year, 19 training sessions were held directly on farms for small groups of breeders. Combining technical expertise with hands-on demonstrations, the program aims to drive improvements in key areas such as milk quality and animal welfare. These sessions provide an opportunity to share solutions tailored to local conditions and to offer breeders practical support in enhancing their practices. Feedback has been highly positive, with participants reporting tangible improvements on their farms, particularly in terms of animal comfort.
By strengthening this initiative in 2025, Lactalis Brazil reaffirmed its commitment to supporting its partner producers and contributing to the advancement of practices across the local dairy sector.

Focus on the supply chain

New low-carbon logistics platform in Oshawa: advancing our local supply chain transformation

In 2025, Lactalis Canada reached a major milestone with the opening of its new distribution center in Oshawa, east of downtown Toronto. Until then, cheese logistics operations in Canada were spread across eight sites, resulting in a fragmented network and a heavy reliance on external service providers. This new platform represents a major step forward, enabling the internalisation of logistics, a simplified network and modernised infrastructure.

With 62,500 pallet positions, a target capacity of 250,000 tonnes per year and 38,000 m² of floor space, the Oshawa site is set to become Lactalis' largest distribution center in the world. A key performance driver, it will significantly reduce transport distances, eliminate redundant handling and optimise operations. At full capacity, the site will be able to handle 170,000 tonnes of cheese, 52,000 tonnes of chilled dairy products and 26,000 tonnes of milk annually.

Designed to minimise its environmental impact, the facility uses 50% less energy per square metre than our other logistics sites, despite its greater operational height and the inclusion of a freezer facility — a first for our Canadian operations. A reflective roof membrane, enhanced insulation, heat recovery from the cooling system, and provisions for the future installation of solar panels all contribute to supporting the site's path toward energy self-sufficiency during the summer months.

Beyond its industrial scale, the project also represents a major transformation from a people perspective. With 155 employees, a four-day working week and the development of a strong team culture, the Oshawa site is emerging as a hub for talent attraction and the development of the Group's logistics expertise.

Bringing operations in-house enables us to regain critical expertise, stabilise teams and ensure operational reliability. Launched in February 2025 and expanded in a second phase in June, the site will continue to ramp up in 2026, with the gradual integration of the remaining product lines, including yoghurts in April. Designed for the long term, Oshawa still has 20% of its capacity available to support Lactalis's future growth in Canada. The result of four years of work — from the initial analysis in 2022 to full operational rollout in 2026 — this major project is set to be fully operational by May 2026. It will play a central role in transforming our Canadian supply chain, combining performance, sustainability and operational excellence.

Brand growth and regional consolidation

The Asia-Pacific-Africa region delivered steady growth in 2025, driven by strong local dynamics and the expansion of iconic brands such as Icim in Turkey, Parmalat in South Africa, Lactel in Malaysia and Pauls in Australia. The overall mix improved slightly, with several countries delivering standout performances. Turkey reached a profitability milestone despite high inflation. In Australia, the recovery was confirmed through the development of a high-protein range and improved management of dairy surpluses during seasonal peaks. In South Africa, the rollout of Cremora, completed in less than six months, was a major success, supporting the region's multi-category development strategy.

Looking ahead to 2026, the priorities are clear: attracting new consumers in a persistently inflationary environment, securing supplies in an unstable geopolitical context, and ensuring the smooth integration of our Mainland teams following the acquisition of Fonterra's consumer business. The focus will be on building on the momentum from 2025 to strengthen the foundations for sustainable growth.

India

Access to drinking water in India: supporting rural communities

In many rural areas of India, access to safe drinking water remains a critical issue. In response, Lactalis India has launched a program to provide sustainable access to clean water, based on purification systems installed in villages lacking reliable infrastructure. Nine installations now enable nearly 17,000 people to access filtered, safe and affordable water. Managed by local non-profit organisations and supported by a pay-per-use model, these systems ensure long-term service sustainability while strengthening community autonomy. The program continues to expand, with additional installations planned to extend its reach. By reducing health risks linked to contaminated water, this initiative is improving everyday life for families in these communities.

Turkey

İçim Fit expands with a high-protein pudding

In 2025, İçim Fit expanded its range with a protein-enriched pudding, strengthening its presence in the chilled dairy market. Combining high protein content with controlled calorie intake, it offers a relevant option for consumers engaging in regular physical activity or seeking healthier snacks. Still an emerging category in Turkey, high-protein puddings offer strong potential for İçim Fit, further reinforcing its positioning.

Australia

Pauls strengthens its leadership in functional nutrition with Pauls PLUS+ Protein

In 2025, Pauls, a leading dairy brand in Australia, reinforced its position in functional nutrition by expanding its PLUS+ Protein flavoured milk range. This development builds on a well-established portfolio spanning milk, yoghurt and snacks. Driven by this ongoing innovation strategy, the brand quickly gained visibility: within two years, PLUS+ Protein ranked third among protein dairy brands, generating more than $93 million in retail sales. This performance highlights the strength of Pauls' position in the fast-growing functional dairy market.

Turkey

Ice Break, the iconic Australian coffee, has been launched in Turkey

The Turkish ready-to-drink coffee market is expanding rapidly, with annual growth of around 15% and a 47% increase in volumes over one year (Nielsen Türkiye). In this dynamic context, Lactalis Türkiye is introducing Ice Break, the iconic Australian iced coffee.

Tailored to local preferences – particularly among young adults, the main drivers of the category – the recipe has been adapted using robusta beans, fresh Turkish milk and a lactose-free formula. The range is available in four variants: Latte, Mocha, Vanilla Latte and Latte with no added sugar. Designed for convenience, the drinks come in resealable bottles, making them ideal for on-the-go consumption. With this launch, Lactalis Türkiye enters a fast-expanding segment while leveraging the success of a brand already well established in Australia.

Turkey

A new high-capacity spray-drying tower in Tire

Inaugurated in July 2025, the new spray-drying tower at the Tire site (İzmir Province) marks a strategic milestone in our development in Turkey. This state-of-the-art facility increases production capacity to 2.5 tonnes per hour, in line with the most stringent European food quality and safety standards. It enables the production of milk powder and whey, strengthening both industrial flexibility and export capabilities.

The site also incorporates eco-efficient technologies, including heat recovery systems and optimised water use, reflecting Lactalis's commitment to responsible and efficient production. With this investment, Tire now ranks among the most advanced spray-drying facilities in the region.

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Australia

Vaalia and Boost® bring iconic recipes to yoghurt pouches

Vaalia, a leading probiotic yoghurt brand in Australia, has partnered with Boost® to launch a new range of yoghurt pouches combining a creamy texture with the smoothie brand's iconic fruity recipes, including Strawberry Squeeze®, Mango Magic® and Banana Buzz®. Enriched with Vaalia's exclusive probiotics, these products meet growing demand for options that combine indulgence with functional benefits. Rolled out across major retail chains in Australia, the range is off to a strong start, with Mango Magic® already ranking as the best-performing launch of the final quarter of 2025. This initiative reinforces Vaalia's innovation momentum in the functional nutrition segment.

South Africa

LactaEngage: a new platform connecting teams

Lactalis South Africa continues to modernise internal communication with LactaEngage, a multi-channel app designed to connect all employees, whether in offices or on industrial sites. Accessible even without mobile data, it centralises key information, including an interactive feed, alerts, HR documents (payslips, leave balances) and collaboration tools such as polls, feedback features and performance dashboards. Since its launch, LactaEngage has seen rapid adoption, with growing enrolment, improved message reach and easier access to HR services. Bringing together previously fragmented tools, the platform creates a more inclusive and efficient digital ecosystem — supporting smoother communication and strengthening corporate culture.

Malaysia

Bliss Less Sugar: already a major success

Barely launched, Bliss Less Sugar has quickly proven a success for Lactel. With 25% less sugar, a lighter texture and real fruit juice, combined with ferments that support digestive comfort, this refreshing milk drink meets rising consumer demand for healthier options without compromising on indulgence.

Crowned "Product of the Year" and recommended by 96% of testers, the range reinforces Bliss's leadership while supporting Lactel's ambition to expand its presence in the Malaysian milk drink market.

Australia

A program supporting farm self-sufficiency in Victoria

Lactalis Australia launched a program to support nine partner farms in Victoria in achieving greater feed self-sufficiency. Over several months, farms received structured technical support, including soil, feed and harvest analysis, regular on-site visits, ration optimisation and initiatives to reduce the carbon intensity of milk production. The results are highly promising: several farms achieved production increases of up to 23%, along with improvements of 15% in protein content and 34% in fat content. To share these learnings more widely, a summary of best practices was distributed to 338 partner producers across Australia through the Farmer Newsletter. Targeted nutrition training was also provided to on-site technicians to further support farms and sustain this momentum.

RH in focus

Developing tomorrow's skills in the Asia-Pacific-Africa region

In 2025, the Asia-Pacific-Africa region launched a collective talent development initiative across all its countries. The aim is to strengthen career attractiveness, anticipate future skills needs and prepare the next generation of leaders — particularly in a context where some key roles have a limited pool of successors in the short term. Developed in partnership with HR teams and local management, the initiative addresses a critical need to reinforce talent pipelines in a fast-growing region.

The project began with a comprehensive talent review in each country, based on harmonised criteria such as performance, potential and mobility. Led by HR teams, managers and executive committees, this phase provided a clear view of internal dynamics, employee aspirations, and existing strengths and development needs. More than a simple mapping exercise, it established a shared language around career development and helped identify future leadership succession plans. Building on this foundation, tailored individual support has since been introduced.

Together with their managers and HR teams, selected employees have developed personalised development plans outlining career paths, key skills to strengthen, as well as mobility and training opportunities. The objective for 2026 is to achieve full coverage, ensuring consistent support across all countries. Visits by the regional executive committee to each country have also played a key role, enabling direct engagement with employees and ensuring overall alignment.

In total, 80 employees now benefit from personalised support. For them, the program provides greater career visibility, while managers gain practical tools to prepare succession and develop talent within their teams. From an HR perspective, it further strengthens the professionalisation of practices and fosters more regular collaboration across countries.

This dynamic enables both the region and its countries to prepare future leadership transitions, strengthen succession planning and equip talent with the tools needed to support performance and business continuity.

A sustainable path to nurture the future worldwide

“Nurturing the Future” guides all our commitments, giving collective meaning to the actions we undertake around the world. In 2025, this ambition marked a new milestone in our CSR journey.

After several years of structuring, we have established a solid, shared framework that now guides our actions around three key pillars:

1. preserving nature and its resources;
2. strengthening the benefits of dairy products;
3. empowering our employees, partners and communities.

These pillars form the backbone of our global CSR strategy, Our Sustainable Way to Go, guiding our commitments and structuring our sustainable approach, drawing on our strong local presence.

Over the year, we strengthened our governance processes by conducting our first assessment of Impacts, Risks and Opportunities (IRO), in anticipation of CSRD requirements. At the same time, we continued to advance our key priorities: reducing direct and indirect greenhouse gas emissions, improving packaging circularity, rolling out animal welfare standards and fostering a more inclusive social environment. These advances are driven by the daily commitment of our teams and partners.

To ensure overall coherence and provide a long-term framework for our actions, Our Sustainable Way to Go strategy now brings together all our commitments under a single, unified program. Designed as a collective action plan for all our stakeholders, it aims to:

- provide a safe and meaningful working environment;
- support our partner producers and suppliers over the long term;
- be a reliable CSR partner to our customers; and
- offer consumers products aligned with their expectations and values.

In 2026, we will continue along this path through several key initiatives: rolling out our decarbonisation roadmaps, strengthening support for our suppliers, and publishing new policies, particularly on water and biodiversity.

Progress achieved on our priorities is reflected in several external assessments, which highlight the robustness and advancement of our approach.

Top 20%

of the most advanced food companies in animal welfare

according to the Business Benchmark on Farm Animal Welfare (BBFAW), a leading independent global benchmark

BBFAW Business Benchmark on Farm Animal Welfare

B Score

on CDP Climate

an independent global benchmark for climate action and environmental disclosure, operated by a non-profit organisation (ratings from A to F)

CDP DRIVING SUSTAINABLE ECONOMIES

Top 30%

of all companies assessed across all sectors

according to EcoVadis, an independent global assessment of corporate social responsibility (CSR) performance

ecovadis

1 Preserving nature and its ressources

Combating climate change and preserving natural resources are essential to the long-term resilience of our business. To continuously improve our practices, we are defining ambitious, comprehensive policies and ensuring their effective implementation across all the regions in which we operate.

Our priorities :

- Combating climate change and deforestation;
- Promoting animal welfare;
- Developing packaging circularity and reducing waste;
- Preserving biodiversity and promoting regenerative agriculture;
- Ensuring sustainable water management.

2 Strengthening the benefits of products

We are driven by our passion for dairy. Safety, quality and taste are at the heart of everything we do. As dairy products play a key role in a balanced and accessible diet, we continuously strive to enhance their nutritional profile and adapt them to local habits and traditions, while ensuring clear and transparent communication with our consumers.

Our priorities :

- Ensuring the safety, quality and excellence of our products;
- Contributing to a healthy, affordable and accessible diet;
- Promoting responsible marketing practices.

Key Results

				Results
		Targets	**2024**	**2025**
1 **Climate**	Change in Scope 1 and 2 emissions (including biogenic emissions) under Lactalis' SBTi commitment between 2019 and 2025 (%)	-46,2% by 2023	-13,7%	-20,5%
	Percentage of suppliers (by emissions) with third-party validated science-based targets, for non-FLAG Scope 3 (%)	73,8% by 2028	24%	28,5%
	Change in FLAG Scope 3 emissions under Lactalis' SBTi commitment between 2021 and 2025 (%)	-30,3% by 2030	-5,0%	-3,3%
Biodiversity	Percentage of global palm oil and palm-derived product volumes sourced under RSPO Mass Balance or Segregated (%) certification	100% by 2025	92,1%	95,2%
Circular economy	Percentage of virgin paper and cardboard covered by sustainable certification (%)	100% by 2023	95,9%	98,1%
	Percentage of recycled materials in packaging (%)	>30%	32,3%	32,9%
	Tons of PVC in packaging	Phase out PVC by 2025	866	752,9
	Percentage of packaging recyclable by design (%)	Aim for 100% by 2025	82,8%	82,2%
Animal welfare	Percentage of annual direct raw milk volumes collected in the 11 pilot countries from partner farms regularly assessed for animal welfare using Lactalis' internal method (at least once every three years) (%)	100% by 2025	55,3%	89,7%
	Percentage of global shell egg volumes sourced from cage-free systems (%)	100% by 2025	100%	100%
	Percentage of global egg product volumes sourced from cage-free systems (%)	100% by 2025	92%	92,7%
2 **Food quality and safety**	Percentage of industrial operations certified to at least one of the following standards: ISO 22 000, FSSC 22 000, IFS, BRC or SQF (%)	100% by 2026	88%	89%
3 **Diversity, equity and inclusion**	Percentage of women in leadership roles (%)	Achieve gender balance in leadership roles by 2033	27,7%	28,3%

3 Empowering our employees, partners and communities

People are at the heart of our strategy and long-term success. We are committed to providing safe, stimulating and inclusive working environments for all our employees. We also take action to uphold human rights across our value chain and contribute to vitality of the regions in which we operate through local initiatives and partnerships.

Our priorities:

- Promoting health, safety, learning and well-being at work;
- Promoting diversity, equity and inclusion;
- Upholding ethical standards and human rights;
- Supporting the development of local communities and regions.

NURTURING THE FUTURE IS OUR PURPOSE

At the end of 2023, Lactalis defined its purpose in action. Built around seven key pillars, it reflects our commitments and the mindset that drives us: open, attentive and responsive to a changing world. It is encapsulated in one signature: “Nurturing the Future”

BEING OPEN AND OUTWARD-LOOKING

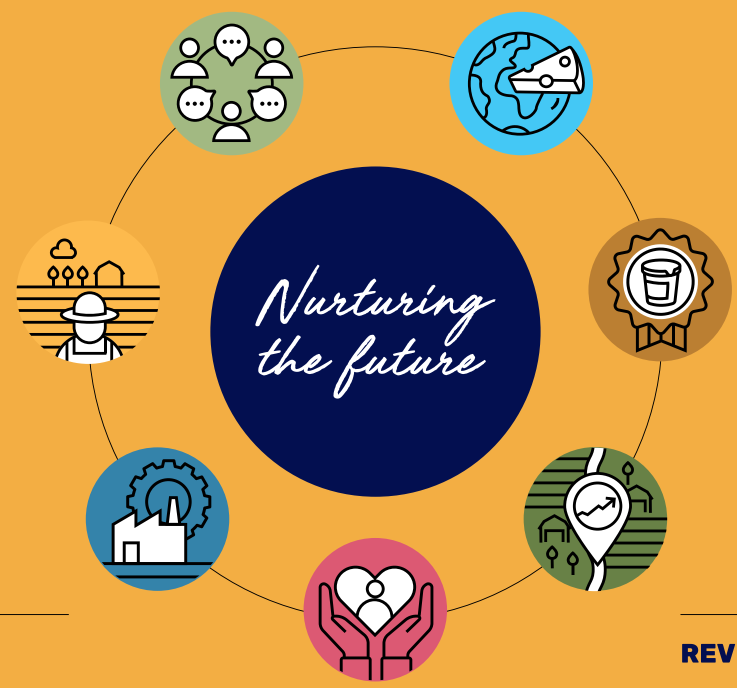
- Forging stronger ties with our stakeholders.
- Addressing consumers’ changing needs.
- Contributing to improve the sector from upstream to downstream.

SERVING PEOPLE AROUND THE WORLD

- Providing access to healthy and unrivalled nutritious products.
- Delivering the highest possible standard of quality.

SUPPORTING OUR PARTNERS

- Supporting their businesses.
- Helping them adopt more responsible and efficient farming practices.
- Ensuring animal welfare.



SHARING FLAVOURS

- Expanding our product ranges to cater to all expectations and needs.
- Promoting the dairy industry’s wealth of expertise.
- Preserving culinary and gastronomic traditions.

TRANSFORMING OUR BUSINESS

- Modernising our industrial tools.
- Optimising the performance of our processes and our ways of working together.
- Reducing our environmental impact.
- Preserving our resources.

REVITALISING REGIONS

- Advocating for local production.
- Preserving local know-how and safeguarding PDOs.
- Supporting local employment and the local economic fabric.
- Strengthening local communities.

MAKING A COMMITMENT TO TALENTED INDIVIDUALS

- Preserving our business lines and handing down expertise.
- Championing excellence and celebrating personal initiative.
- Supporting through internal promotion.

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