

Lactalis USA Dairy Methane Action Alliance 2023 Disclosure

Executive Summary

Globally, food systems make up approximately one-third of all anthropogenic greenhouse gas (GHG) emissions.¹ Livestock agriculture contributes a significant portion of those emissions, accounting for nearly 15% of total global anthropogenic emissions.² Given methane's high potency in the short term, reducing methane emissions plays a crucial role in [helping achieve the goals of the Paris Agreement](#). Representing approximately 10% of global methane emissions, the dairy sector has a unique opportunity not only to help achieve [global methane reduction targets](#) but also safeguard the future of dairy farming in the face of a changing climate.

Dairy sector companies leading on climate are increasingly aware of the critical role they must play in driving methane reductions, and as a result, are prioritizing methane mitigation, including setting emissions reduction targets, assessing their impacts, and engaging on farm to drive reductions.

In 2023, Lactalis USA joined the Environmental Defense Fund's [Dairy Methane Action Alliance](#) along with other global food companies. By joining this groundbreaking initiative, these companies are the first to commit to a transparent accounting and public disclosure of methane emissions within their dairy supply chains, and they are each pledging to create and implement a comprehensive methane action plan.

Section 1. Background on Dairy Methane Action Alliance

The [Dairy Methane Action Alliance \(DMAA\)](#) is a global initiative to accelerate action and accountability on methane across the dairy sector. By joining this groundbreaking initiative, signatory companies commit to annually account for and publicly disclose methane emissions within their dairy supply chains and to publish and implement a comprehensive methane action plan. Environmental Defense Fund and the sustainability nonprofit Ceres will help to ensure companies are making progress against key milestones.

Section 2. Lactalis USA greenhouse gas emissions and methane disclosure

DMAA Metric	Lactalis USA
Reporting year and year of last methane disclosure report	January – December, 2023
Total scope 1 emissions	116,377 MT Co2e
Scope 1 agricultural dairy methane	0 MT CO2e
Percentage of Scope 1 emissions from agricultural dairy methane	0%
Total Scope 3 GHG emissions	NA*
Scope 3 agricultural dairy methane emissions	2,620,854 MT Co2e 73% enteric methane, 27% manure methane 96,363 MT CH4 73% enteric methane, 27% manure methane 100% of total scope 3 dairy methane emissions
Percentage of Scope 3 emissions from agricultural dairy methane	NA*
Total Scope 1-3 GHG emissions	Total Scope 1 Emissions 116,377MT Co2e Total Scope 2 Emissions 64,114 Co2e Total Scope 3 Emissions NA*
Percentage of Scope 1 and 3 emissions from agricultural dairy methane	NA*
Scope 1, 2, and 3 GHG reduction target(s)	Lactalis has the following commitments, validated by the Science Based Targets initiative. Lactalis commits: <ul style="list-style-type: none"> • to reach net-zero greenhouse gas emissions across the value chain by 2050. • to no deforestation across its primary deforestation-linked commodities, with a target date no later than December 31, 2025. • to reduce absolute scope 1&2 GHG emissions 46.2% by 2030 from a 2019 base year** • that 73.8% of its suppliers and customers by emissions, covering purchased goods and services, capital goods, fuel- and energy-related activities, upstream transportation and distribution and processing of sold products, will have science-based targets by 2028*** • to reduce scope 1 FLAG GHG emissions 33.3% by 2030 from a 2019 base year. and reduce scope 3 FLAG GHG emissions 30.3% by 2030 from a 2021 base year****.

*Lactalis Group has quantified Scope 1, 2, and 3 emissions for the entire group to support the submission to Science-Based Targets initiative, target validated July 2024. Disaggregated Scope 1, 2, and 3 data for the Lactalis USA division is not yet available to disclose. Therefore, to provide context for this Lactalis USA methane disclosure, please see more information below regarding Lactalis Group’s greenhouse gas emissions assessment.

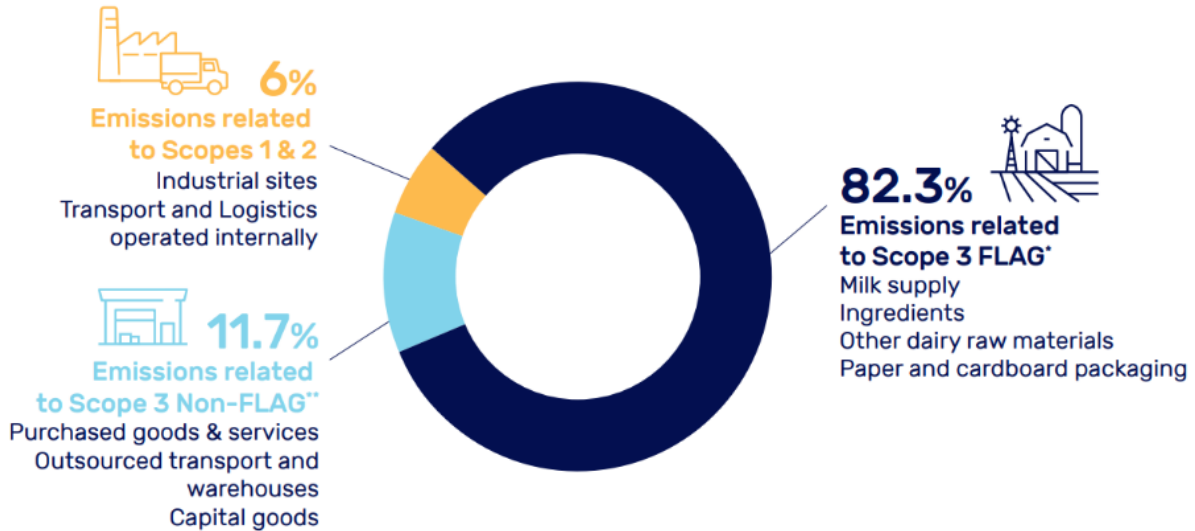
**Commitment on full Group perimeter, incl. acquisitions up to 31/12/2022.

***Commitment on 67% of Lactalis scope 3 non-FLAG GHG emissions

***Commitment on 67% of Lactalis scope 3 FLAG GHG emissions. Target includes FLAG emissions and removals

Lactalis measures its greenhouse gas emissions using the GHG Protocol method. This assessment concerns the entire group. The group's greenhouse gas emissions break down as follows:

BREAKDOWN OF GREENHOUSE GAS EMISSIONS CALCULATED ACCORDING TO THE GHG PROTOCOL METHODOLOGY



* FLAG emissions = all emissions related to forestry, land and agriculture.

** Non-FLAG emissions = all other types of emissions (industry, energy, etc.).

Note: Based on this Lactalis Group global screening of scope 1, 2 and 3 emissions we expect Lactalis USA's scope 3 emissions to represent approximately 94% of total Scope 1-3 emissions.

1. Tubiello, F. N., Rosenzweig, C., Conchedda, G., Karl, K., Gütschow, J., Xueyao, P., Obli-Laryea, G., Wanner, N., Qiu, S. Y., Barros, J. D., Flammini, A., Mencos-Contreras, E., Souza, L., Quadrelli, R., Heiðarsdóttir, H. H., Benoit, P., Hayek, M., & Sandalow, D. (2021). Greenhouse gas emissions from food systems: Building the evidence base. *Environmental Research Letters*, 16(6), 065007. <https://doi.org/10.1088/1748-9326/ac018e>
2. Methane emissions in livestock and rice systems. (2023). FAO EBooks. <https://doi.org/10.4060/cc7607en>