

SARGENTO
Real Impact
Report 2023



Celebrating 70 Years



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A MILESTONE YEAR: 70 YEARS OF REAL IMPACT



Louie Gentine
CEO

Through three generations of family ownership, we continue to take pride in our accomplishments and celebrate the contributions of those who paved the way. As our founder, Leonard A. Gentine, believed, success only happens by working with good people and treating them like family—with trust, honesty and respect.

These are the values that define Sargento. We live by them, as did the generations before us. As a result, Sargento has grown and thrived for decades. Seven, in fact.

In October 2023, we celebrated our 70th anniversary—a time marked in equal parts between celebration and reflection on the commitments we continue to honor. It makes sense that this past fall was also when we unveiled our new corporate social responsibility (CSR) platform, “Sargento Real Impact.”

This platform encompasses our ongoing philanthropic and sustainability efforts while conveying the continued impact we work to achieve across three key pillars: People,

Planet and Product. The name serves as a daily reminder for us to uphold our core values as we continue to strive to be the most innovative and best-loved real food company.

This report is a testament to what we, as a Sargento Family, have achieved by working together. It’s about making a difference, an impact. To us, social responsibility isn’t an afterthought. It has been, and always will be, integral to who we are, what we do, and why we do it. It’s been in our DNA for 70 years and will guide the years to come.

—Louie Gentine, CEO, & Mike “Mac” McEvoy,
EVP Operations
Third-generation family owners



Mike McEvoy
EVP Operations

70TH
ANNIVERSARY
SARGENTO
Real Impact

Our Future

Sargento Real Impact represents a new chapter in our CSR efforts while building on our longstanding commitment to giving back with responsible resources.

These efforts have not just impacted the Sargento brand, but our Sargento Family – our, employees, customers, suppliers and communities.

In 2023, the milestones we met underscored our relentless commitment to our core values and the innovation that drives us. Milestones we met suggest we’re making real progress across the board – from launching new product innovations to improving our sustainable practices to continuing our unwavering support to our community across key pillars.

To continue to be the very best in all we do, we will intensify our innovation while maintaining the core beliefs that guide us. And to live up to our own expectations, we will find new ways to make a real impact on our journey to be the most innovative, best-loved real food company.



Our Responsibilities

At Sargento, we believe in making a real impact through taking care of our people and planet, and creating products with responsible sourcing and innovations for lasting change.

People

We strive to make a real difference in the well-being of our neighbors and employees by:

- Supporting local, regional and national hunger relief networks with funding, food donations and volunteers
- Partnering with Habitat for Humanity to build homes for families and increase access to affordable housing
- Funding national and international disaster relief organizations
- Investing in local, regional and state-wide initiatives to equip our youth with the skills, mentorship and networks needed to participate in and contribute to our economy
- Supporting our local United Way affiliates with financial and in-kind donations
- Building a workplace culture that fosters ethical conduct and belonging through mutual respect and support
- Providing resources to address the physical, emotional, mental, spiritual, social, financial, and educational needs of our employees

Planet

We work to make our packaging and processes more sustainable by:

- Striving toward recyclability of our packaging material
- Minimizing packaging materials and reusing them wherever possible
- Diverting waste from landfills and waterways wherever possible
- Conserving energy by using high-efficiency lighting, refrigeration systems, appliances and motors
- Reducing the volume of water used and the concentration of the wastewater we generate

Product

We endeavor to satisfy our customers and protect their well-being by:

- Rigorously vetting and monitoring our suppliers and vendors for compliance with the industry's high standards for ethical animal treatment, environmental stewardship, food quality, food safety and workforce safety
- Earning an AA and A BRC (British Retail Consortium) food safety certification, maintaining our high ratings awarded by a globally recognized auditor benchmarked to the Global Food Safety Initiative for several years in a row
- Innovating award-winning products and processes that build our brand and meet customer and consumer needs



Our Impact at a Glance

People



\$7.1
million

donated since 2016 to our local communities during the annual United Way Living Your Giving campaign. In 2023, United Way named Sargento the Top Most Generous Workplace in Sheboygan County due to our execution of the largest workplace campaign for United Way



1,836
hours

of company-led community service by our employees in 2023, for a total of **46,142** hours since 1992



\$102,000

Touchdowns for Hunger™

donation in the 2023 season. Throughout our 20+ year partnership with the Green Bay Packers, we've donated more than \$1.85 million



37
affordable
homes were built

in 2023 the Sargento Family broke ground on the 36th and 37th homes for Milwaukee Habitat for Humanity



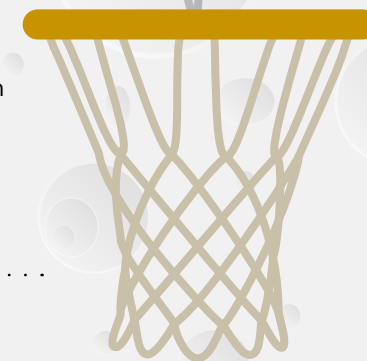
\$52,200
Double Helping for Hunger™

(DHFH) donation in 2023. Since creating DHFH with the Milwaukee Brewers in 2018, we've donated \$247,400



\$40,000
Tip Off for Homes™

donation in 2023, for a total of \$161,000 since starting the program with the Milwaukee Bucks in 2019



Planet



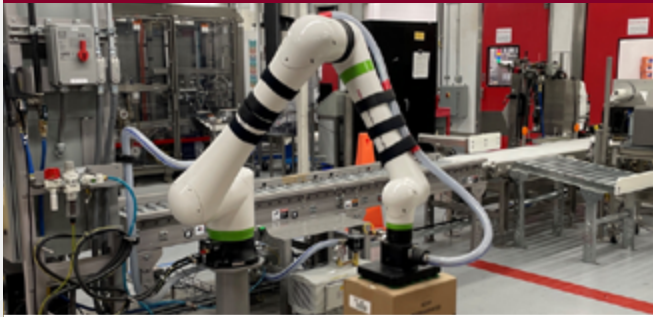
7.6
million gallons

of water saved in 2023
(as measured against
a 2022 baseline)



90%
of waste

diverted from landfills
in 2023



100%
of Balanced Breaks®

snack trays (excluding
the top lidding film) are
recyclable (dependent on local
infrastructure).



100%
**of string- and
stick-cheese**

overwrap film is in-store-
drop-off recyclable

Product



100%
supplier compliance

with FARM (Farmers Assuring
Responsible Management) animal
care program for dairy supply



AA and A
food safety rating
by BRC in 2023
across our facilities,

awarded by an independent
auditor benchmarked to the
Global Food Safety Initiative for
several years in a row

People: Caring for Our Employees & Communities



The Sargento culture involves constantly looking to better the lives of our employees and support our communities because we believe it's what matters most.

We're proud of our continued commitment to making a real impact on the lives of our neighbors and employees. One example of this is our Tuition Assistance program, in which every member of the Sargento Family can receive up to \$50,000 to be reimbursed for educational expenses. In 2023, we provided more than \$608,000 in tuition assistance to our employees to support their higher and continuing education needs. This program not only equips our employees with the skills they need to grow personally and professionally, but it also helps us retain talent.

The nationwide scarcity of commercial delivery truck drivers is threatening the whole economy. Therefore, we're working together in a creative and inventive way to solve the problem.



So, we launched a CDL truck driver apprenticeship program in 2023.

The program, which allows participants to gain practical experience while also obtaining a degree from Fox Valley Technical College, was a huge success. Notably, three members of the Sargento Family succeeded in the program: Amanda Lytle, Aaron Luljak and Alex Ferreria.

Nurturing our culture is one of our core beliefs. We have a longstanding commitment to helping our people balance work and family. Today, our culture has evolved to provide more work schedule options for all employees. In addition to tuition assistance, we offer a confidential employee assistance program that supports emotional health and well-being.

We also aim to create an atmosphere of fun. We hosted our annual holiday party, which invited every member of the Sargento Family and a guest to celebrate the season and each other. We also hosted our annual Service Awards banquet, where we recognized long-time production employee Barb Fulcer for her 50 years as part of the Sargento Family. Barb joined Sargento in September 1973, and to celebrate her milestone, Louie toasted her on stage with a can of her favorite beer.



As part of our commitment to diversity, equity, inclusion and belonging, we were pleased to host Johnny C. Taylor, Jr., the President and CEO of the Society of Human Resource Management (SHRM). During his visit, he led a series of listening sessions focused on belonging and how our leaders within the organization can elevate their teams, lead with empathy and stay connected on a fundamental level. We also launched our Diversity, Equity & Inclusion page on our career site in 2023. To learn more, please [click here](#).

Another testament to our commitment to foster belonging, mutual respect and professional and personal growth is our three employee business groups (EBGs): Women's Influence Network (WIN); Multi-cultural Alliance of Sargento (MAS) and SarGenerations Emerging Talent (SET).

Sargento Employees Caring About People, or SECAP, began in 1991 as a way for the Sargento Family to demonstrate our value of Community Outreach. This group of employees volunteer their musical talents to spread holiday cheer at local nursing homes. Together, they practice and perform seasonal favorites. At the end of their performances, Santa Claus shows up for the finale, bearing small gifts for the residents.



Relieving Hunger

Guided by our core beliefs, each year we raise money to help combat food insecurity across our state through our partnerships with Wisconsin’s professional sports teams and local food banks, which amplify our capacity to make a real impact.

As the Official Cheese of the Green Bay Packers, Sargento donates \$2,000 towards hunger relief in Wisconsin for every touchdown the Packers score during the regular season. Since it began in 2002, Touchdowns for Hunger has raised more than \$1.8 million to help alleviate hunger in Wisconsin and has provided more than one million meals for those in need. While we’re incredibly proud to be the Official Cheese of the Green Bay Packers, we’re even more proud of the real impact we’ve made and will continue to make in our community through Touchdowns for Hunger.

The Packers ended the 2023 regular season with 44 touchdowns and scored 7 more in the playoffs, resulting in a donation of \$102,000 shared by Paul’s Pantry in Green Bay and Hunger Task Force in Milwaukee.



Double Helping for Hunger™

In 2023, we were proud to continue our ongoing partnership with the Milwaukee Brewers to support the Hunger Task Force. Through Double Helping for Hunger™, every time the Milwaukee Brewers hit a double during the regular season, Sargento donates \$200 to the organization. During the 2023 season, our fifth season participating in this program, we donated \$52,200.

Hunger Task Force works with the Brewers Community Foundation each year during the Drive Thru Food Drive at American Family Field, and Sargento is a long-time partner. We’re cheering on the Brew Crew to continue pushing their average of 150 doubles per season to help fight local hunger.

In 1992, we dedicated ourselves to helping St. Ben’s Community Meal, which primarily caters to Milwaukee’s unhoused population. The Sargento Family prepares and serves St. Ben’s Community Meal every fourth Monday of the month. In our headquarters’ kitchen, two employee volunteers cook the meal, which is then served at the Milwaukee site by four employees. Each department at Sargento takes turns volunteering every month.

“We are so thankful to Sargento and everyone who comes here to serve because we love the idea that you care. You all are our cousins who bring us cheese so, we thank you for being a big part of St. Ben’s!” said Kenneth Howard, St. Ben’s Community Meal Director.

Sargento employees have also donated their time in other ways. For example, employees volunteer their time to serve at the Sheboygan County Food Bank’s (SCFB) Community Café. The Sheboygan County Food Bank has been our longstanding partner in the fight against hunger in our local community.

The Community Café launched in 2022 to address mounting food insecurity in our local community. Sargento leaders also give of their time, helping relief organizations by serving on their boards, mentoring staff and providing strategic counseling.





Habitat for Humanity

On a chilly April day in 1992, our employees came to Milwaukee from our headquarters in Plymouth to build our first Habitat for Humanity home.

Our leader at the time was second-generation leader Lou Gentine, and he was there with a hammer in hand along with other company leaders, because Sargento believes in family.

We believe in everything about family: meals together, laughing together, celebrating together, bear hugs, cuddles, holidays, bedtime stories, tough love and everlasting love. Family makes life meaningful, and Sargento believes every family should have a home they can afford so they can do all those things together.

This is why Sargento became the first corporate sponsor of Milwaukee Habitat back in 1992. Since then, our partnership has built more than 30 homes in Milwaukee and revitalized distressed neighborhoods. More than 800 employee volunteers, donating more than 16,000 hours, have helped build ‘forever homes’ for families pursuing the American dream.

In 2019, Sargento became the Official Cheese of the Milwaukee Bucks, and together, we began our ‘Tip-Off for Homes™’ program.



Every time the Bucks win a tip-off, Sargento donates \$500 to Habitat for Humanity Milwaukee. In 2023 alone, we donated \$40,000. Everyone deserves a place to call home. By concentrating our efforts in targeted areas, Milwaukee Habitat is not just helping local families but revitalizing entire neighborhoods. As we build block by block, we aim to decrease crime, increase community engagement and create vibrant, sustainable neighborhoods.

Our Women’s Influence Network at Sargento (WINS) furthers these goals through efforts such as our partnership with Habitat for Humanity Lakeside. Together, Habitat Lakeside hosted a Women’s Build event in Sheboygan County, and our women’s EBG WINS participated in building a forever home for a single mother in the community who cares for her daughter and aging mother. Our partnerships empower the community and help families build strength through our sense of commitment and teamwork.



Disaster Relief Support

With a 75-year history of famine and natural disaster relief, Catholic Relief Services (CRS) is a global, non-profit organization that works to respond to these disasters and the new challenge of climate change. Our support helps farmers in developing countries learn how to restore their crops and conserve scarce natural resources.

In 2023, our support of CRS helped make a difference in Central America, Mexico, Haiti, Madagascar, Ethiopia, Niger and Lesotho. Here’s a snapshot of our impact:

- Helped farmers learn effective methods to restore their soil and water resources in Central America.
- Built agro-forestry systems in Madagascar that were devastated by two cyclones. To date, CRS has supported the growth or planting of 1.4 million trees.
- Regreened drylands in Ethiopia to restore more than 90,000 acres of land through improved land restoration practices, like soil and water conservation; more than 7 million multi-purpose tree seedlings were planted.



Groundbreaking Initiatives to Build Our Communities

A place to call home

On May 8, 2023, Sargento was proud to be a part of a groundbreaking ceremony that initiated the construction of 54 single-family homes on Happy Lane in Sheboygan Falls. This was a significant step towards transforming the property into a space where middle-income, working families can live and thrive. The project was made possible by a public-private partnership that includes The Forward Fund, the City of Sheboygan Falls and the Sheboygan County Economic Development Corporation (SCEDC).

Each home in Founders’ Pointe will have three bedrooms, two baths, a two-car garage, and a full basement at an affordable price point for entry-level workforce housing.

This initiative is set to construct approximately 600 single-family homes throughout Sheboygan County over the next five years to increase the available entry-level housing stock in the county. As one of our key CSR pillars, we believe in the importance of homeownership and the safety and financial security it provides for families and communities.

Planet: Caring for Our Natural Resources

At Sargento, we believe in making a lasting real impact on our planet through sustainability, good stewardship of our natural resources and sourcing packaging materials that lessen environmental impact.

Our commitment to sustainability has guided us this past year, from packaging to our waste-diversion efforts. In our production facilities, we operate with a closed-loop system for our cardboard: we gather, bale and sell the leftover cardboard to a vendor who recycles it into the boxes we use to ship our product.

We delivered on our promise to be more water- and waste-efficient in our operations, successfully saving 7.6 million gallons of water since 2022 and diverting an average of 90 percent of our waste out of landfills this past year. This represents a 3.3 percent increase from the year prior.

Since 2022, we've also reduced the volume of wastewater by 1.3 percent. In addition to lowering the volume, we've decreased our high strength loads. Simply put, there's less waste for our partners to treat and handle, while offsetting energy consumption.

In our 2022 Impact Report, we noted that we've invested in extensive employee education and training to help ensure we do as much as

possible, as consistently as possible,

In our 2022 Impact Report, we noted that we've invested in extensive employee education and training to help ensure we do as much as possible, as consistently as possible, to prevent waste in the first place.

One area of this has been in spill training: how to prevent and better respond when they occur. We're pleased to share that in 2023 alone, we invested ~60 trainer hours across hundreds of employees to continue this training across our plants to better prevent and respond to spills.

Another area where we've made strides has been in our transportation modes, both those you see on the roads and ones that are used only at our plants. In 2023, we introduced our first-ever propane-powered spotter truck at our Kiel facility through a grant from Wisconsin's Department of Natural Resources (DNR). We were honored to be selected for this grant to help move our business forward with a more efficient mode of transportation.

Our Fuel-Efficiency Program, which we've had for several years, recognizes our drivers for

monitoring their fuel efficiency and getting the highest miles per gallon possible. This past year, we incentivized our drivers who increased fuel efficiency from the year prior, resulting in an average of 7.95 miles-per-gallon across the entire fleet, and the highest fuel efficiency we've ever achieved.

Recycle-ready materials

In our last Impact Report, we talked about the challenges we face with recyclable packaging as we seek to minimize environmental impact. The reasons are twofold. First, the flexible plastic that keeps our products fresh and safe hasn't historically been, recyclable. Second, the infrastructure needed to receive and process recyclable plastic isn't available nationwide.

With this in mind, we remain more committed than ever to creating more sustainable packaging that is also simpler to recycle for consumers. We're working with leaders in the perishable food packaging industry and plastic associations, sharing our expertise to come up with solutions together.

We hope it will not be long before we have helped create the infrastructure to fully recycle our packaging.

To that end, we've also tested new materials and subsequently chosen vendors who can reliably furnish our packaging needs. We are proud to report that the plastic trays, excluding the lidding film, for our Balanced Breaks® products are recycle-ready. Additionally, 100% of string and snack cheese overwrap is now eligible for in-store drop-off.

We project that in the coming years, the films we're currently testing for our shredded and sliced cheese products will be recycle-ready.

We are not ones to sit on the sidelines. While we continue to work diligently on creating more sustainable packaging, making it easier to recycle, we will also focus on improving the infrastructure within our industry to effect change for the whole category.



Product: Caring for our customers

We prioritize practices that are safe for our team and bring joy to our customers.

At Sargento, we are committed to responsible sourcing and innovating for lasting change. This commitment begins with responsibly sourcing our product. Sargento procures its cheese and milk solely from suppliers and dairy farmers that are National-Dairy-FARM certified, meaning they abide by the industry's highest standards in animal care. Additionally, we work closely with all our suppliers to promote sustainability and ensure they share our values.

Sargento holds our suppliers accountable to an expectations manual, including a supplier code of conduct. Our partnerships and strong relationships with suppliers helped us maintain best-in-class order fulfillment rates for our retail partners, consistently exceeding 95%. These commitments are nothing new to us; our ethics as a brand push us to be better across all stages of our supply chain.

Sargento also ensures the well-being of its customers by strictly observing food safety best practices throughout our four plants. External auditors continue to confirm our compliance; this is only further assured by the BRC (British Retail Consortium) which audits our programs and processes. BRC is a certification scheme benchmarked to the GFSI (Global Food Safety Initiative) and signals food safety excellence across nine categories.

We're proud to say that, thanks to the year-round diligence of our internal audit team, Sargento earned BRC's AA and A ratings in 2023.





Real Food Innovation

For 70 years, our vision has always included being the most innovative company. As we celebrated our 70th anniversary in 2023 and began looking towards the future, we're confident about where we're going next.

The work of the 2,500 members of the Sargento Family today, and those who came before, has changed how America enjoys natural cheese. Sargento revolutionized the dairy case through a constant focus on innovation that began with Leonard Gentine. We began expanding Sargento's snacking portfolio, the Balanced Breaks® line, with a test market launch in 2023, involving key retailers. Following the success of the Nielsen Award-winning Balanced Breaks® portfolio, Fun! Balanced Breaks offers three exciting flavor combinations available in a convenient, on-the-go package that mixes and matches real, natural cheese with a medley of cookie favorites from Mondelez International.

And we didn't stop there. In 2023, we worked hard to support the launch of two new string cheeses made in our St. Cloud, Wisconsin, production facility.

These new flavors take string cheese, a snacking mainstay, to a whole new level.

Our Smokehouse String Cheese™ and Fiesta™ Pepper String Cheese Snacks bring spicy, bold flavors paired with the excellent quality that consumers know and expect from Sargento.

Our success only happens by working with good people and treating them like family — with trust, honesty and fairness. We look forward to carving new innovations in the decades to come.

Building Our Brand

People. Pride. Progress. These values, codified by the three generations of Gentine leaders, don't just apply to our internal company; we apply these pillars to our community, friends, family and beyond. We had a great year with various community engagement opportunities, from our partnership with the Green Bay Packers and alumni LeRoy Butler to visits from friends setting world records and more. And with community engagement comes building our brand and sharing real food with consumers across the country.

Our longtime partnership with the Green Bay Packers in Wisconsin culminated in an exciting tailgate takeover in October. Celebrating the season with dedicated fans, Packers alumni and retired safety LeRoy Butler joined the fun with Sargento to meet fans, promote a sweepstakes with the Packers, and, of course, enjoy Sargento cheese all day long.

We continue to build our brand via fresh content on our social channels — Instagram, LinkedIn and, recently, TikTok — as well as exciting omnichannel campaigns.





**People, Pride
& Progress:**

20

Values We Live By

1.
Build trust by practicing collaboration.

2.
Put family first.

3.
Strive for objectivity by seeking others' input.

4.
Foster creativity.

5.
Have fun. Take your work, not yourself, seriously.

6.
Take responsibility for your actions.

7.
Commit to excellence in everything you do.

8.
Take ownership of the projects you take on.

9.
Give back to our community.

10.
Compensate and reward others fairly.

11.
Commit to lifelong learning and personal growth.

12.
Commit to meeting customer needs through excellent service.

13.
Innovate relentlessly.

14.
Embrace risk-taking.

15.
Share success with everyone who contributed to it.

16.
Listen carefully to others, including the quietest voice.

17.
Seize opportunities to educate.

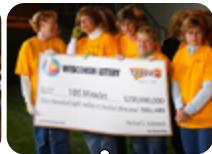
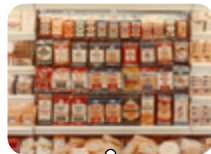
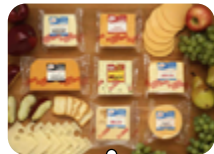
18.
Lead with vision.

19.
Share our financial results with those who contribute to that success.

20.
Always act ethically.

Our Company Journey

A brief history of Sargento Foods



1949

• Plymouth Cheese Counter. Based on the success of his mail-order cheese business, Leonard Gentine Sr. converts a carriage house on his property into a specialty-cheese retail store.

1949

1953

• Joe Sartori and Leonard Gentine Sr. launch Sargento, combining their names and their know-how to bring Americans real mozzarella, provolone, parmesan, and romano cheeses in ready-to-purchase portion sizes.

1953

1955

• Leonard and design partner Bill Lindstedt innovate a vacuum-seal plastic package that allows cheeses to last longer, pioneering prepackaged sliced natural cheese.

1955

1958

• Leonard, Bill, and Norman "Bud" Dick prototype a cheese shredder, making meal preparation faster for millions of homemakers and transforming the cheese industry.

1958

1964

• Leonard persuades his partner Joe to sell him his stake in the company. Joe stays on as Leonard's advisor—and lifetime friend.

1964

1969

• Leonard and longtime associate Chuck Strobel adapt a metal pegboard system used for lunchmeats to display Sargento cheeses, revolutionizing the dairy aisle into what shoppers take for granted today.

1969

1972

• Sargento moves its headquarters from the retrofitted canning factory in Elkhart Lake, Wisconsin, back to Plymouth. Cutting and packaging continues in Elkhart Lake.

1972

1981

• Sargento's Board of Directors unanimously elect Leonard's son Lou, president of the company—a role he would ably perform for the next 32 years.

1981

1986

• Lee Gentine, a second generation leader, spearheaded the implementation of a resealable Zip Pak that would make it easy to reseal the cheese package after it was opened. This was the first perishable food item to be placed in a re-sealable package.

1986

1988

• Sargento introduces Moo Town® Snackers, for kids—and parents—on-the-go.

1988

2001

• Sargento pioneers the slide closure, a packaging first that wins the company a WorldStar Award for Packaging Excellence.

2001

2006

• 100 Sargento employees win the largest jackpot in Wisconsin lottery history: \$208.6 million. Only four do not show up for work the next day.

2006

2012

• CEO and Chairman Lou Gentine receives the National Cheese Institute (NCI) Laureate Award, 21 years after his father Leonard won it.

2012

2013

• Louie Gentine succeeds his father Lou as head of Sargento, 32 years to the day after Lou succeeded his own father, Leonard. While holding true to the family's people-first traditions, Louie modernizes the company's operations and its products.

2013

2019

• Deloitte awards Sargento Foods, Inc. as one of five special Distinguished Performers with a 2019 Succession Award, recognizing the brand's successful next-generation leadership.

2019

2021

• With winning products like UltraThin® Cheese Slices, Balanced Breaks® snacks, and Creamery Sliced and Shredded Cheeses, Sargento books \$1.5 billion in net sales, a new record.

2021

2022

• Baker Cheese joins the Sargento Family, advancing the company toward its vision of becoming the most innovative, best-loved real food company.

2022

2023

• As part of our mission to become the most innovative and beloved real food company, we launched the Real Impact platform, which encapsulates our continuing charitable initiatives in community engagement, sustainability, and quality production.

2023

70TH ANNIVERSARY

Thank You

We at Sargento are extremely proud of the family we have become since 1953.

From farm to family table, you're the secret ingredient.

Crafting in our plants or leading at HQ, your dedication brings real cheese goodness to life.

Supplying premium ingredients or keeping our equipment running smoothly, you ensure quality at every step. Fueling your day with Balanced Breaks® snacks or enjoying our creamy slices and shredded blends, you're the reason we innovate.

Together, we're building Sargento into America's favorite real food company.

Thank you for being a vital part of our story. We couldn't do it without you.

From,
The Sargento Family

