

BRAZZALE: THE CO2 ZERO SUPPLY CHAIN IS A REALITY CARBON NEUTRAL CALCULATION

Milan – October, 2nd 2019. "We announce the extraordinary result of achieving carbon neutrality for all the activities of our group. Whatever the response of science to climate change and its causes will be, our result is still a success because the reduction of greenhouse gas emissions is invoked by all scientists, as the dramatic increase in GHG emissions represents a negative fact for the environment ", explains Roberto Brazzale, president of the Group.

The Brazzale dairy group is the first one to reach the goal of carbon neutrality and the uniqueness of its model lies in having achieved this neutrality through a production and productivity growth by almost three times. The adoption of innovative practices in climatically favored regions allows, in fact, to develop innovative production processes that avoid dangerous drifts towards remedies that depress growth.

The need to regulate food supply to feed today's 7.5 billion human beings on the planet, which is expected to exceed nine billion by 2050, does not allow us to approach these issues without a strong sense of reality and clear ideas.

"Given the growing public concern around the world, concrete and practicable solutions are not suggested, but only actions that will negatively impact growth", explains Brazzale, "for this reason our announcement is a **"happy news" for the citizen/consumer: not only can CO2 be reduced, but it can also be done by increasing production**. The innovative production systems that make this achievement possible offer, moreover, formidable improvements in terms of animal welfare, biodiversity, savings in natural and economic resources, quality and wholesomeness of the products ". Without an action of deep innovation, to which the company has gone through with its production processes and their allocation to the most suitable climatic areas, this result would be unthinkable.

The "Carbon neutrality" **is the culmination of the twenty-year "green revolution" begun by the Brazzale group in 2000**: a radical innovation in the production processes that led to the creation of eco-sustainable supply chains, which are based on the principle of "**doing things where they can succeed best** ".

In Czech Republic the Brazzale Group created the "Gran Moravia Ecosustainable Supply Chain": a system of over 75 farms on 80,000 hectares of land for the production of high quality milk and cheese.



In Brazil, the Group developed a revolutionary reforested breeding system: "Ouro Branco Silvipastoril".

In particular, with regard to the CO2 absorption action, in addition to the constant investments in plants' technology to reduce emissions, the Silvipastoril model plays a decisive role among Brazzale Group through the reforestation of pastures. Carbon absorption is in fact carried out through the most natural of processes: Photosynthesis, carried out by wonderful machines such as trees and plants.

Co2 ZERO supply chain The "Silvipastoril" solution: the pasture becomes a green lung.

Adopted in one of the companies of the Group "Agropecuaria Ouro Branco" in Mato Grosso do Sul, Brazil, the Silvipastoril system provides for the **reforestation of pastures and their transformation into giant lungs that capture CO2**, thanks to 1.5 million eucalyptus trees: about 300 per each cow, planted in rows and thus recreating forest and clearings, optimal for the cows. **Co2 is a real food for trees, that turn it into oxygen and into plant and wood mass**, avoiding the dispersion of carbon in the atmosphere. But not only.

The reforestation of the pasture areas allows the achievement of further extraordinary goals:

- Increased animal welfare, because a natural environment of forest and clearings is recreated
- Incredible increase in **biodiversity**
- Increase in forage production and beef per area unit
- Elimination of fertilizers
- **Reduction in the need for surfaces**: for the same production, a bigger surface can be left to the state of wild forest

In detail, these are the emissions of the nine plants of the Group (year 2018):

Total emissions:

45.431 tons Co2 eq/year

- 14.139 of biogenic origin
- 31.292 of fossil origin

Total absorption: 54,110 tons Co2 eq/year of biogenic origin

The Brazzale group, therefore, manages to be "**Carbon Positive**", as it boasts a higher "absorption" of CO2 by over 8,600 tons Co2 eq/year more than its emissions.

The Ghg inventory (greenhouse gases, including CO2) was verified by Dnv Gl.

Brazzale's "green revolution" has led to better products and

a more virtuous impact on the environment.



The choice of the consumer in front of supermarkets' shelves is decisive to drive the food industry towards virtuous models and the purchase of Brazzale, Gran Moravia, Burro delle Alpi, Zogi, Alpilatte or Burro Superiore Fratelli Brazzale products contributes to favoring a sustainable agricultural and livestock model, as indicated by the certificate with the Carbon Zero logo to be found on all the packages.

With regard to the issue of CO2 and greenhouse gas emissions, from 2000 to 2018 these practices and the Group's production philosophy made it possible to achieve an exceptional goal: to eliminate the equivalent of 54,110 tons of CO2 eq/year of biogenic origin from our Planet while increasing production by around 200%.

Brazzale in the World

The Brazzale family has been operating in the dairy industry since before the end of the Eighteenth Century, and represents the oldest Italian company in the industry, in uninterrupted activity for at least eight generations. It is present with its factories in three Continents and four Countries of the World.

- Brazzale SpA, Zanè, Italy: production plant with butter production, cheese maturing and packaging
- Brazzale SpA, Monte di Malo, Italy: production plant with production of spun and pressed pasta
- Brazzale SpA, Campodoro, Italy: pig farming and Biogas plant
- Brazzale SpA, Cogollo del Cengio, Italy: cheese warehouse facility
- Company store, Zanè, Italy: sale of food products
- Brazzale Moravia, Litovel, Czech Republic: production plant with production of Gran Moravia, fresh cheeses and butter with milk from the Ecosustainable supply chain
- "La Formaggeria Gran Moravia", Company stores, Czech Republic: sale of cheeses and traditional Italian food specialties
- Brazzale SilviPastoril, Ouro Branco, Brazil: breeding of beef cattle with the innovative Ecosustainable method Silvi Pastoril
- Brazzale Quing Dao, China: dairy plant for the production of fresh cheeses
- Brazzale Shanghai, China: commercial subsidiary: import and distribution of cheeses

BRAZZALE SPA

Active in the dairy industry since 1784, Brazzale Spa is the oldest Italian family business in the dairy industry in Italy. Originating from the Asiago Plateau, the family runs the without interruption since eight generations. Today the Group boasts six production facilities spread all over the world, in Italy, Czech Republic, Brazil and China and employs a total of over 730 employees, and a total turnover of 210 million euro in 2018, of which over a third is exported from Italy to the world. It operates on the market with the following brands: Burro delle Alpi, Burro Fratelli Brazzale, Zogi, Verena, Alpilatte, Brazzale, Silvipastoril and Gran Moravia. Since 2003, in Litovel, Moravia (Czech Republic), it has produced Gran Moravia cheese, which is then aged and packaged in Italy. In Zanè (Vi), since 1898, the Group has its headquarters, packaging



department and Burro delle Alpi butter factory. Following the merger with the Zaupa family, in Monte di Malo(VI) it produces provolone, Provolone Valpadana Dop, Asiago Dop, stretched and pressed curd cheeses. All dairy products manufactured in Litovel are produced with milk from the Brazzale Ecosustainable Supply Chain, which in 2011 obtained traceability certification according to UNI EN ISO 22005: 2008. In Czech Republic, Brazzale spa has also started its own retail chain under the brand La Formaggeria Gran Moravia, which today counts 22 shops, more than 150 salespeople, for over 1,500,000 customers a year, with over 70% of products imported from Italy. In 2012 the company opened a commercial subsidiary in Shangha and in November of the following year, it opened in Shanghai another shop of "La Formaggeria Gran Moravia" retail chain. In 2014, in Beijing, Brazzale spa started to run a dairy production of fresh cheeses for the local market. In 2018, in Italy, the company started a project to open temporary stores with the brand "A TUTTO BURRO", to promote butter qualities, and it counts two retail stores: one in Asiago and one in Vicenza. Exporting to over 56 Countries, Brazzale Group collects about 200,000,000 kg of milk directly from the barn, which it processes in its own dairy plants in Italy and in Czech

For many years it has been committed to the development of innovative agri-food supply chains, characterized by production efficiency and environmental sustainability such as "The Ecosustainable chain Gran Moravia ", in the Czech Republic, and the" Silvipastoril Reforested Pasture ", in Brazil.

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