# **Altech**<sup>®</sup> Sustainability Report 2019-2020

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# Letter from the CEO

July 12, 2020 H.E. Antonio Guterres Secretary-General United Nations New York, NY 10017 USA

Dear Mr. Secretary-General,

I am pleased to confirm that Alltech reaffirms its support of the Ten Principles of the United Nations Global Compact in the areas of human rights, labor, environment and anti-corruption. In the year since we signed on to the Global Compact, we have found that it has helped give guidance to existing projects and inspire innovative ideas for new ones. It has also aided us in aligning our corporate vision with the broader actions of the entire community connected by a shared commitment to the Compact, creating a deeper basis for dialogue and collaboration.

In this annual communication on progress, we describe our actions to continually improve the integration of the Global Compact and its principles into our business strategy, culture and daily operations. We also commit to sharing this information with our stakeholders using our primary channels of communication.

Founding Alltech in 1980 was just the beginning of my parents Dr. Pearse and Mrs. Deirdre Lyons' vision. They desired to build a business that would have an impact on our planet far into the future. In 1989, Dr. Pearse Lyons took the stage at our annual Symposium and shared our company's commitment to a guiding ACE principle, emphasizing the importance of delivering benefit to Animals, Consumers and the Environment.

Today, our Planet of Plenty<sup>™</sup> vision propels our founding ACE principle into the future and into a new world of possibility. We envision a world of abundance, made possible through new technologies and management practices, and the world's most valuable infinite resource — human ingenuity. It is our belief that agriculture can have the most positive impact on our planet, and we would like to use our involvement in the Global Compact to highlight misunderstandings and misconceptions about the agri-food industry while shining a light on the vast changes and improvements being made in how our world's food is produced. It was our privilege to share our Planet of Plenty vision with members of the U.N. Security Council when we welcomed them to our corporate headquarters in Kentucky in December 2019. One of the Ambassadors remarked, *"You have inspired and provoked thought by showing us how we can achieve our goals."* 

Alltech's nutritional solutions for soil, crops and animal feed place it at the beginning of the food chain, and our global presence uniquely positions us to work with others toward the Sustainable Development Goals. As discussed in the following report, our initiatives are positively impacting a diverse range of sectors — from creating educational opportunities for young people to partnering with efforts that empower women in the ag industry, from products that are validated by the Carbon Trust to applying our more than 40 years of research in animal nutrition to human health, and much more.

We believe that by adopting new technologies, improving business practices and embracing innovation, the agri-food sector can support a Planet of Plenty. Alltech and our more than 5,000 team members are proud to be a part of a growing global network of organizations around the world that are united by a passionate commitment to building a more sustainable future.

Sincerely yours,

Dr. Mark Lyons President and CEO, Alltech

### About Alltech

Founded in 1980 by Irish entrepreneur and scientist Dr. Pearse Lyons and co-founder Mrs. Deirdre Lyons, Alltech delivers smarter, more sustainable solutions for agriculture. Our products improve the health and performance of plants and animals, resulting in better nutrition for consumers and a decreased environmental impact.

We are a global leader in the animal health industry, producing additives, premix, supplements and feed. Celebrating 40 years in 2020, we carry forward a legacy of innovation and a unique culture that views challenges through an entrepreneurial lens.

Our more than 5,000 talented team members worldwide share our vision for a <u>Planet of Plenty™</u>. We believe agriculture has the greatest potential to shape the future of our planet, but it will take all of us working together, led by science, technology and a shared will to make a difference.

Alltech is a private, family-owned company, which allows us to adapt quickly to our customers' needs and maintain focus on advanced innovation. Headquartered just outside of Lexington, Kentucky, USA, Alltech has a strong presence in all regions of the world. For more information, visit <u>alltech.com</u>, or join the conversation on <u>Facebook</u>, <u>Twitter</u> and <u>LinkedIn</u>.

#### A Purpose-Driven Company







#### The ACE Principle

Alltech's mission is guided by its founding ACE principle, which sets standards for the benefit of the Animal, Consumer and Environment. It was a radical idea for the early 1980s, when Alltech founder Dr. Pearse Lyons first introduced it, but remains central to our core values and is reflected in our vision for the future: a Planet of Plenty™.

Our innovative nutritional technologies and services are implemented across the entire food supply chain. We work alongside producers in the agri-food sector to improve the health and performance of plants and animals, resulting in better nutrition for people and a decreased impact on the environment.

#### Working Together for a Planet of Plenty

We firmly believe agriculture has the greatest potential to shape the future of our planet.

We are inspired by the great challenge the world has presented us to produce enough safe, nutritious food for all, while caring for our animals, and sustaining our land, air and water for future generations. Our natural resources may be finite, but human ingenuity is infinite.

#### Planet of Plenty is a mission to:

- Elevate the agri-food sector. It's critical we recognize agriculture's ability to address several of the most significant issues our planet faces nutrition, human and animal well-being, and the preservation of natural resources. We do this by telling the true, yet little-told, stories about the passionate people who are working within the agri-food sector to create a Planet of Plenty.
- Inspire farmers, ranchers and producers to embrace new technologies, business models and improved farm management practices.
- Create new business models to help our customers and grow our business.

What started as one company's vision has become a call for collaboration.

Planet of Plenty is a vision of promise, possibility and positivity for the future. It's our belief that a world of abundance is achievable, but it will take all of us working together.

It's a vision that must be led by science, technology and a shared will to make a difference — to plant trees we'll never see grow.

Sustainability means taking positive action today for the success of tomorrow. It's a pursuit where there's always room for improvement ... and a new idea.

#### **Inspiration From Inside Our Industry**

Our belief in the possibility of a Planet of Plenty is rooted in the reality we see in fields and farms throughout the world. We are committed to telling the stories of the passionate men and women advancing agriculture and a future of promise.

#### Our Sustainability Journey



Alltech committed to the United Nations Global Compact (UNGC) on July 12, 2019.



Alltech committed to the United Nations Global Compact (UNGC) on July 12, 2019. The UNGC provides corporations with a value system and principle-based approach to conducting business. We strive to operate in a way that meets fundamental responsibilities in the areas of human rights, labor, the environment and anti-corruption, and we are working to incorporate the Ten Principles of the U.N. Global Compact into our strategies, policies and procedures.

## The Ten Principles are as follows:



**Principle 1:** Businesses should support and respect the protection of internationally proclaimed human rights

**Principle 2:** Make sure that they are not complicit in human rights abuses

### Labor

**Principle 3:** Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining

**Principle 4:** The elimination of all forms of forced and compulsory labor

Principle 5: The effective abolition of child labor

**Principle 6:** The elimination of discrimination in respect of employment and occupation

## Environment

**Principle 7:** Businesses should support a precautionary approach to environmental challenges

**Principle 8:** Undertake initiatives to promote greater environmental responsibility

**Principle 9:** Encourage the development and diffusion of environmentally friendly technologies



## Anti-Corruption

**Principle 10:** Businesses should work against corruption in all its forms, including extortion and bribery

Throughout this report, you will find Alltech's commitment to these principles. As you read through the following section outlining our contributions, you will see that each action is tagged with the corresponding icon of the four categories related to the Ten Principles.

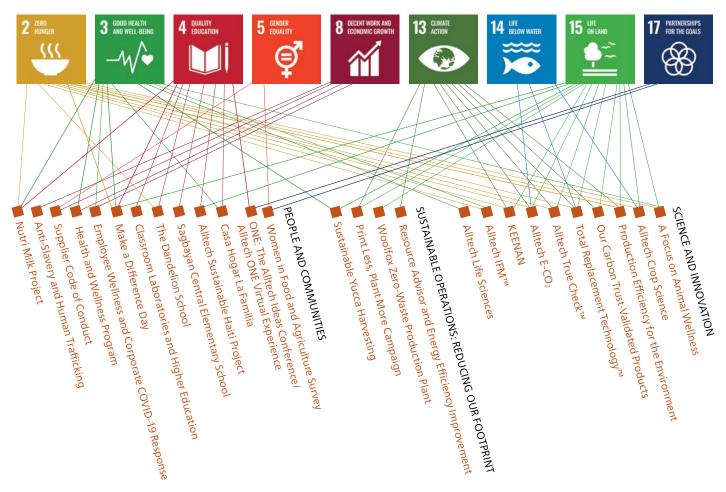


Members of the U.N. Security Council visited Alltech headquarters in Nicholasville, Kentucky, in December 2019.

#### Sustainable Development Goals

Alltech has long been a thought-leader in the agri-food industry, and committing to the UN Global Compact and the advancement of the SDGs was a natural next step for a company that is deeply passionate about sustainability and making a positive impact on the planet we all share. In 2019, when Dr. Mark Lyons announced our Planet of Plenty vision, it was a call for collaboration and partnership across industries and geographies, because innovation knows no boundaries. Today, our commitment to the UN Global Compact and ardent support for the SDGs strengthens our mission to achieve a brighter future — together—and to inspire others in our industry to do the same.

In joining the world's largest corporate sustainability initiative, there are nine of the United Nations' 17 Sustainable Development Goals (SDGs) that we feel most closely align with our core business and are therefore actionable by the company in order to move the U.N.'s SDGs forward. As we approach the one-year anniversary of our commitment, it has given us the opportunity to conduct internal education on our goals, reflect on what we have achieved and plan for how we can continue our progress. Our priorities include:



#### **Science Based Targets Initiative**

In conjunction with joining the U.N. Global Compact, Alltech also committed to the Science Based Targets initiative, which is designed to help companies reduce their greenhouse gas emissions and share their progress through transparent documentation and reporting. Our work has begun with an initial data collection in the first year. Once the metrics are determined, goals will be set and Alltech will work toward achieving lower greenhouse gas emissions as well as reduced energy and water consumption. The process is described in greater detail under "Resource Advisor and Energy Efficiency Improvement."

#### Our Contributions

Alltech is eager to advance our business through sustainable means, with three primary focus areas in which we believe we can have a direct and significant impact. The first is science and innovation, which is central to Alltech's business culture and strategy. The second is sustainable operations, an area that is becoming increasingly critical to measure and improve upon. The third centers around people and communities. As seen in this report, Alltech has a long and robust legacy of supporting the communities in which we operate, adopting local causes that are close to home and giving each endeavor personal attention.

#### **SCIENCE AND INNOVATION**

For more than 40 years, Alltech has been helping farmers produce food more sustainably. Our nutritional technologies help optimize the nutrients in animal feed, supporting the health and performance of livestock. Alltech's support goes beyond nutrition to help producers improve efficiency, productivity and profitability.



#### **A Focus on Animal Wellness**

Supporting the immune system through nutrition is a core strategy for our technologies. Alltech's research on nutrigenomics — the study of nutrition's impact on genetic expression — has led to a greater understanding of how to feed an animal to its specific genetic potential, tailoring nutrition to the animal's requirements at particular stages of development. This approach to improving animal well-being holds limitless opportunities for the integrator, producer and retailer, including more efficient drug-free production, increased profitability, improved marketability and strengthened consumer confidence.





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#### **Alltech Crop Science**

Science meets sustainability in our efforts to improve plant health, quality, nutritional value and yield while decreasing the need for conventional chemicals. Alltech Crop Science is a global leader in the application of research in microbial fermentation, nutrigenomics, amino acids, integrated pest management and natural surfactants. These proven solutions promote sustainability, profitability and value creation throughout the food chain.





#### **Production Efficiency for the Environment**

Improvements in feed quality and animal well-being have a direct effect on overall production efficiency. Animals with a healthy gut better absorb nutrients, resulting in lower input costs for farmers and less environmental impact through the waste of undigested nutrients. As a global company, Alltech recognizes our responsibility to the world's environment as a corporate citizen. Because all Alltech animal health products focus on achieving optimum well-being, environmental improvements are often an added benefit. Better performance means fewer GHGs per gallon of milk or pound of meat.

A healthy animal is better able to digest its food and therefore excretes less undigested resources back into the environment.

Alltech products enable an animal to make greater use of its feed, which minimizes the natural resources that would need to be used to feed the animal.





The Carbon Trust is an independent organization specializing in the validation of an organization's environmentally sustainable practices. Several Alltech products and services have received the <u>Carbon Trust</u> <u>validation</u>.

**Yea-Sacc**<sup>®</sup>: <u>The Carbon Trust validated Yea-Sacc<sup>®</sup>'s</u> ability to reduce methane emissions in cattle through decreased nitrogen emissions, while positively impacting animal performance.

**Optigen®:** <u>The Carbon Trust</u> concluded that replacing protein-based nitrogen, like soy, with Optigen<sup>®</sup> in in a cow's diet can decrease the global warming potential of that diet and improve nitrogen utilization.

**Mycosorb** A\*: Through evaluations in cattle diets, the <u>Carbon</u> <u>Trust</u> confirmed that the addition of Mycosorb A<sup>+</sup> results in higher performance, including uptake of nutrients (from the same amount of feed) and increasing output, such as higher milk yields, and decreased methane emissions.

"Feed is often, unavoidably, contaminated with mycotoxins. Mycosorb A<sup>+</sup> reduces the absorption of these mycotoxins within the animal, thereby negating the damaging effects of them on its health and productivity. The validation from the Carbon Trust gives recognition to Alltech's continued drive to help producers improve productivity in a way that leads to a reduction in environmental impacts."

> -Nick Adams, Mycotoxin Management Team Global Sales Director, Alltech



#### Total Replacement Technology™

Alltech has proven that <u>organic trace minerals</u> in the form of Bioplex<sup>®</sup> and Sel-Plex<sup>®</sup> can be included at significantly lower levels while improving animal performance. This optimizes animal mineral requirements and reduces negative environmental impacts. We call this innovation Alltech's Total Replacement Technology<sup>™</sup> (TRT).



#### Alltech True Check™

Alltech <u>True Check</u><sup>™</sup> is a flexible analysis designed to simulate the digestive systems of poultry and swine, providing a prediction of nutrient release from the feed. It allows us to quantify the benefits of adding enzymes and determine the best enzymes for individual feeds. This means we can help formulate feeds that will have the most benefit for the animal while reducing inputs and environmental impact.



#### Alltech E-CO<sub>2</sub>

<u>Alltech E-CO<sub>2</sub></u> is a market-leading, agri-environmental farm efficiency software and consultancy company specializing in farm-level environmental carbon and water assessments. Possessing a wide range of expertise available through licensed software and web-based applications, Alltech E-CO<sub>2</sub> has established successful programs to look at livestock and arable on-farm carbon footprints, water footprints, benchmarking, farm business costing, animal welfare and social sustainability.

Alltech E-CO<sub>2</sub> is also Carbon Trust-verified.



#### **KEENAN**

KEENAN has been a member of the Alltech family of companies since 2016 and is at the forefront of supporting farmers in achieving a carbon-neutral footprint. The unique engineering features and mixing action of a KEENAN diet feeder offer optimized diet formulation consistency, which allows for more efficient use of feed.

KEENAN is also Carbon Trust-verified.



#### Alltech IFM<sup>™</sup>

Alltech IFM<sup>™</sup> is an *in vitro* fermentation model that simulates rumen fermentation and evaluates the digestibility of a ration and endproduct formation. Alltech IFM is a nutritional tool used by farmers and feed manufacturers to screen individual ingredients, formulate rations and make informed decisions on the quality of feed or total mixed rations (TMR). Through Alltech IFM, we can identify barriers to rumen fermentation, formulate rations based on nutrient availability and help to reduce energy losses and feed wastage. To date, Alltech has seven IFM labs covering five regions.

"By measuring the gas production of diets with Alltech IFM, we can calculate how much potential energy will be lost and the expected emissions per animal based on feeding a certain ration."

-Matthew Smith, Vice President, Alltech





#### **Alltech Life Sciences**

Though formally launched in 2010, Alltech Life Sciences applies our more than 40 years of research experience and scientific expertise to human health. We aim to help people live their best lives, conducting research on digestive health and brain health, including clinical trials related to Alzheimer's disease.

Additionally, our revolutionary breakthrough in diabetes research may provide an alternative to current insulin treatments. The compound, called NPC43, acts as an insulin replacement in insulin-deficient and insulin-resistant conditions, and it is effective when administered orally. This could lead to the elimination of injections, pens and pumps, and provide an affordable alternative to insulin for those who suffer with Type 1 or Type 2 diabetes.

Our innovative approach to human health has generated a suite of supplements and patented compounds designed for general well-being or for targeting specific diseases.

#### SUSTAINABLE OPERATIONS: REDUCING OUR FOOTPRINT

All companies must work hard over the coming decades to reduce their greenhouse gas emissions, energy and water use, and waste. This is a necessity for companies that want to be good corporate citizens and help solve climate change and other urgent environmental issues in order to preserve the planet for future generations. Alltech is working toward reducing our carbon footprint and water consumption to decrease our impact on the environment.



#### **Resource Advisor and Energy Efficiency Improvement**

In order to measure our improvement over time, the first year of our commitment to the Science Based Targets initiative has focused on data collection. This has included working with Schneider Electric and its proprietary software, Resource Advisor, which is designed to gather a company's utility data to provide insights and metrics in one online location. We will soon have a baseline of our greenhouse gas emissions for scope 1 and 2. This will allow us to identify steps for reducing our energy consumption. The next step will be to collect data to determine our scope 3 emissions.



#### **Woolfox Zero-Waste Production Plant**

Located in Lincolnshire, England, is Alltech's Woolfox Depot, an 80,000-square-foot production facility. The site covers the demands of the European market and also extends services into Russia, Turkey and parts of Asia. Woolfox distributes upward of 1,500 tons of Alltech products per month, via an average of 50 trucks per week. Two years ago, the plant began exploring ISO14001:2015 certification, the international standard for implementing an environmental management system (EMS) that helps organizations minimize the effect their operations have on the environment. Good documentation, transparency and a dedicated team are necessary for achieving this accreditation, which was received in 2018. Through the efforts necessary to achieve this goal, and with strong leadership support, the plant decided to go a step further and attain zero-waste production.



#### Print Less, Plant More Campaign

At the end of 2019, Alltech Brazil launched its Print Less, Plant More campaign, a two-part program designed to help reduce the office's environmental footprint. The first part of the campaign includes reducing printing in the office, which the team has promoted. Compared to the previous two years, Alltech Brazil has reduced its paper usage by 38% due to this campaign. The second part focuses on planting trees, particularly near a river outside of São Pedro that provides water for local families. The area was struggling as a result of the insufficient water supply, and with the treeplanting, the environmental department expects the water levels to be maintained and the families to have the water they need. Two additional projects are also in progress in Brazil, which include partnering with the finance team, with expectations of reducing paper usage by 50% by 2021.





#### Sustainable Yucca Harvesting

Alltech's De-Odorase<sup>®</sup> is derived from the yucca plant, which has been known to efficiently reduce the level of ammonia in animal housing when used as a feed material. This helps maintain better respiratory health not only for the animal, but also for the producer. In Serdan, Mexico, for every yucca tree that is harvested, Alltech replants 10 yucca seedlings in their natural habitat. Last year, over 50,000 yucca seedlings were replanted. The local team has also cited increased activity from bees as they pollinate the yucca flowers. <u>Learn more</u> about the science and sustainability of yucca plant production.

#### **PEOPLE AND COMMUNITIES**

Alltech believes that all our activities should be guided by a sense of purpose, which drives our support for the communities in which we operate. Our team members adopt local causes that are close to home, giving each endeavor personal attention. For this reason, we established the Pearse Lyons ACE Foundation, a charitable foundation to help fund the <u>philanthropic efforts</u> of our company, employees and partners around the world.

It is our belief that education is the primary catalyst for success and that progress is driven by insatiable curiosity. Alltech leads multiple initiatives to inspire the next generation of change-makers. Throughout the world, examples of Alltech's educational initiatives abound. From classroom science laboratories in Kentucky to entire primary schools in Haiti, Alltech has shown its strong support of education across every region.

Our scientists and colleagues are active in local agriscience education outreach across the globe. They visit classrooms to discuss and demonstrate scientific activities, provide expertise for events such as science fairs and serve as resources for community educators and organizations.



#### Women in Food and Agriculture Survey

The challenges associated with the ever-increasing global population have made it more important than ever for the agri-food industry to be able to perform at its full potential. Inclusion and diversity in the workforce are essential to shaping a sustainable future — and yet, according to the Food and Agriculture Organization of the United Nations, the gender gap in the food and agriculture industries is extensive. To gather real-world insights into the professional landscape for women in agriculture, Alltech partnered with AgriBriefing to collect feedback about the barriers that impede progress and to identify the resources needed to ensure workplace equality. The survey, which took place in December 2019, was open to women and men across all sectors of the agri-food industry and served as a first step toward gathering real-world insights into the professional landscape for women in agriculture.

<u>Learn more</u> about the survey and read stories about women in the food and ag industry.

"It is my experience that the most effective organizations embrace diversity and support inclusion. The food and agriculture sectors include many talented female leaders, and we need to make sure young people see themselves represented and can envision a future career in the industry."

-Dr. Mark Lyons, President and CEO, Alltech

#### HOPE FOR THE FUTURE



of women say their organization and the industry are becoming more inclusive Nearly 100% of respondents agree that women can positively impact the agri-food sector







# **ONE:** The Alltech Ideas Conference/Alltech ONE Virtual Experience

For 35 years, ONE: The Alltech Ideas Conference has challenged attendees from around the world to innovate and adopt more sustainable practices. This year, we reimagined the event to ensure that its ideas and inspiration could still reach everyone, everywhere, especially at such a pivotal moment in the future of our planet. Throughout our launch week of the Alltech ONE Virtual Experience at the end of May, nearly 25,000 people, including 580 media, from 118 countries, joined us to explore agriculture's increasingly important role in creating a Planet of Plenty.



#### Casa Hogar La Familia

The Alltech production facility in Serdan, Mexico, represents a clear example of how we are invested in our community. Alltech Serdan has forged a close bond with Casa Hogar La Familia, a children's orphanage near the plant that recently, with the support of the Pearse Lyons ACE Foundation, installed solar panels that generate over 90% of the orphanage's electrical needs. <u>Read more</u> about Alltech Serdan's many local philanthropic activities.





#### **Nutri Milk Project**

Alltech India initiated its Nutri Milk Project in partnership with the Thribhuvandas Foundation in Anand, Gujarat, in 2017 with the goal of bringing milk to children in order to help support their nutrition. Since its initiation, 613,391 glasses of milk have been donated to school children, whose diets are often deficient in critical nutrients that can be found in milk, including protein. Five schools in the town of Tarapur were initially selected for the program. In addition to a 5.45% average improvement in the BMI of the students, many of whom were malnourished, the schools involved in this program also experienced a considerable increase in attendance. These results inspired Alltech to expand the project, and in 2018, six more schools were added.



#### Alltech Sustainable Haiti Project

Only 10 days after a devastating earthquake hit Haiti in 2010, Dr. Pearse Lyons traveled to the country to see how Alltech could help. This was the beginning of the <u>Alltech Sustainable Haiti Project</u> in the towns of Ouanaminthe and Dondon, with the goal of helping build a sustainable future for Haitian residents. Our efforts support education, teachers, student meals and facilities at two primary schools. The project also supports local agriculture, specifically the country's 100% shade-grown Arabica coffee, which Alltech markets and sells as Alltech<sup>®</sup> Café Citadelle.

*"Thank you for your generosity toward our Haitian children. We cannot count the benefits you have filled us with."* 

-Avelyne StHilaire, Local Administrator of the Alltech Sustainable Haiti Project in Ouanaminthe, Haiti



#### Sagbayan Central Elementary School

After an earthquake ravaged the southern Philippines in October 2010, Alltech partnered with UNAHCO, our biggest client in the Philippines, and generously donated toward the rebuilding of a local school, the Sagbayan Central Elementary School. The school now has the "Classroom of Hope," where more than 900 students from kindergarten to sixth grade can learn on new computers and science equipment.





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#### **The Dandelion School**

Since 2014, Alltech China has developed a strong relationship with the Dandelion School, a nonprofit educational institute on the outskirts of Beijing, as the key sponsor as well as through initiatives led by Dr. Mark Lyons and his wife, Holly Lyons. The school is the first and only middle school built especially for children from low-income migrant families in Beijing. The program also teaches the students about agriculture and how the industry is helping to nourish the next generation. Alltech China donations support a project that supplies daily meals to the children, and a recent donation provided a new dormitory.





#### **Classroom Laboratories and Higher Education**

We have installed numerous classroom science labs in elementary schools so that students can explore the world around them through a scientific lens. Many of these have been in local primary schools near Alltech's headquarters in Lexington, Kentucky. To date, Alltech has supported the construction of more than a dozen science laboratories in schools globally.

Additionally, more than 500 undergraduate students have completed an internship program at the Alltech Center for Animal Nutrigenomics and Applied Animal Nutrition in Kentucky, and approximately 450 Ph.D., master's degree and graduate students have been supported through Alltech's bioscience centers.

The Alltech Young Scientist competition began in 2005 as an expression of our founder, Dr. Pearse Lyons, and his passion for curiosity and innovation within education. As a scientist, he understood the challenges of research and the excitement that comes with breakthroughs that could solve real problems. Through this competition, Alltech aims to build a community of innovative agriscientists and encourage them to pursue careers in agriculture. Alltech seeks to further this mission through partnerships and research alliances around the world. To date, 60,000 students from over 60 countries have applied, and approximately \$500,000 in cash and prizes have been awarded.

The Alltech Innovation Competition started in 2013 in Kentucky, challenging undergraduate and graduate university teams to develop forward-thinking business plans on innovative ideas that improve local economies. This competition celebrates entrepreneurship and the impact of cross-functional teamwork on business development. A combined total of 48 teams (undergraduate and graduate) from across Kentucky have participated, and \$100,000 has been awarded.



#### Make a Difference Day

To honor the memory and legacy of our late founder, Dr. Pearse Lyons, who passed away in early 2018, Alltech team members celebrate his birthday, Aug. 3, through social and environmental initiatives spearheaded by our more than 90 local offices throughout the world. We are encouraged by our CEO, Dr. Mark Lyons, to honor his father's legacy and by extending the very same kindness and generosity Dr. Pearse Lyons showed to others. In conjunction with wider global initiatives, each office determines its own activity and reports back on the results. From book and food donations to schools, from tree planting to trash pickup, our team members make a difference across all regions on this special day.

# *"You have made an impressive company. How you connect philanthropy and business gives me lots of ideas."*

-U.N. Ambassador Jose Singer Weisinger, Dominican Republic, during a visit to Alltech headquarters in Nicholasville, Kentucky, in December 2019











#### Employee Wellness and Corporate COVID-19 Response

During this particularly challenging time of social distancing and working from home, Alltech leadership has worked — and continues to work — assiduously to communicate with employees about how to remain productive while combating the effects of isolation, encouraging team members to remain informed and exercise self-care. These communications include weekly reminders from Dr. Mark Lyons, president and CEO, entitled "Wednesday Work from Home Wisdom," in which he explores tips on maintaining work-life balance. Alltech also solicited the help of Poppy Blandford, an occupational therapist specializing in sport and business performance psychology, and shares insights from her on a regular basis. Additionally, we are continuously adding resource materials to our intranet site, including podcasts, webinars and other toolkits to support team members.

#### Health and Wellness Program

During this particularly challenging time of social distancing and working from home, Alltech leadership has worked — and continues to work — assiduously to communicate with employees about how to remain productive while combating the effects of isolation, encouraging team members to remain informed and exercise self-care. These communications include weekly reminders from Dr. Mark Lyons, president and CEO, entitled "Wednesday Work from Home Wisdom," in which he explores tips on maintaining work-life balance. Alltech also solicited the help of Poppy Blandford, an occupational therapist specializing in sport and business performance psychology, and shares insights from her on a regular basis, with evergreen topics ranging from our new normal to resilience, performance, anxiety and more. Additionally, we are continuously adding resource materials to our intranet site, including podcasts, webinars and other toolkits to support team members. Our next phase is underway and includes the training and development of wellness mentors positioned globally to support regional and local needs. We recognize the importance of mental health and wellness, and are committed to providing our colleagues, customers and communities with ongoing and sustainable support now and in the future.

#### Alltech's Organizational Structure

Alltech is a global manufacturer and provider of agricultural and commercial services and has extensive research facilities in the agricultural, brewing and life science sectors. In order to provide directive unity, the responsibility of sustainability is overseen by the Head of Sustainability, which is directly within the Office of the President. This allows for clear support and a strong central focus on Alltech's sustainability initiatives.





#### **Supplier Code of Conduct**

Alltech is committed to conducting business in accordance with all applicable laws and regulations of countries in which it operates and also in accordance with international standards of ethics.

This commitment is extended through to our supply chain and any other service provider that is involved in business with Alltech.

#### Key Principles

- 1. Employment is to be freely chosen
- 2. Child labor shall not be used
- 3. Reasonable working hours
- 4. Fair wages
- 5. No inhumane treatment
- 6. Freedom of association
- 7. Appropriate health and safety measures
- 8. Integrity
- 9. Transparency
- 10. Data protection and privacy standards
- 11. Environmental management systems
- 12. Internal management system

<u>Read</u> the complete Alltech Supplier Code of Conduct.



#### **Anti-Corruption**

Alltech is committed to maintaining the highest level of ethical and legal standards in the conduct of our business activities. Our compliance with all anti-bribery laws worldwide, including the Foreign Corrupt Practices Act (FCPA), is a vital part of our business. All Alltech employees are required to take training sessions in order to help recognize situations that present a risk of anti-bribery violations.





#### **Anti-Slavery and Human Trafficking**

Alltech and its subsidiaries across the globe are committed to improving practices to combat slavery and human trafficking. We recognize that our business practices and supply chains reach many different parts of the world and thereby are at risk from modern slavery and human trafficking offences.

We have therefore taken steps to manage this risk and regulate our supply chain by implementing policies, procedures and risk assessments and by providing training to all relevant staff.

<u>Download</u> Alltech's complete Anti-Slavery and Human Trafficking Statement.

#### Next Steps

# Materiality Assessment and Key Performance Indicators

We have launched an internal program to complete a materiality assessment with a broad stakeholder listening process to identify the optimal sustainability KPIs for our goals, business and industry. We will conduct a stakeholder engagement session at ONE: The Alltech Ideas Conference, our annual international conference, in May 2021 to present preliminary results and obtain additional feedback. We will also hold a workshop and roundtable luncheon during our Alltech Presidents Club event to obtain perspectives from a wide variety of industry leaders.

#### **Science Based Targets Initiative**

We will continue to collect and analyze data to determine our baseline greenhouse gas emissions and will work to set science-based reduction targets by July 2021.

#### Partnerships for a Planet of Plenty

We believe sustainability is a journey in which there is always room for improvement. We work alongside our partners and customers to help them to benchmark their environmental impact and then implement science-based solutions to gain efficiencies that reduce their footprint. Over the next year, we will work to build a wider range of partnerships in order to move our industry and world toward a Planet of Plenty.

