



CORPORATE SOCIAL RESPONSIBILITY

Purpose

This Corporate Social Responsibility (CSR) policy establishes a common and consistent framework across Lallemand and its subsidiaries. The CSR policy assures Lallemand's significant contributions towards a healthy ecosystem, social equity, good organizational behavior and sustainable development. It demonstrates that we are committed to social, ethical and responsible behavior whilst maintaining high standards in relation to our employment practices and our customer and supplier relationship(s). We are committed to meeting all legal requirements where we operate and invest in the occupational health, environmental safety and fair treatment of our staff as well as their well-being and in the quality of their work life balance.

Scope

This policy applies to all staff and directors of all business units and companies controlled by Lallemand. It also applies to contractors working closely with or for the Lallemand Group. Any local policy covering aspects outlined here is subordinated to the present policy and should not be in contradiction with the content of this one.

Accountability & Responsibility

All directors, managers and employees are accountable for and responsible to follow, comply with and implement the policy, as well as any other underlying policies, guidelines, procedures, practices and rules adopted by the Lallemand Group/subsidiaries and referenced in the present document. The Board is responsible for monitoring compliance with the policy, procedures for the communication of the CSR policy and any revisions to it.

Principles

At Lallemand we recognize the importance of, and are committed to, transparency in our policies, decisions and activities that impact our employees, the society, our environment and stakeholders in their respective areas of interest. These are disclosed in timely, clear and accurate manner to a reasonable and sufficient degree.

The principles behind this policy are the three main aspects of CSR – Ethical, Social and Environmental, covering eight core subjects which include corporate governance, sustainable development, consumer rights, fair operating procedures, human rights, labor practices, nurture of our environment and involvement of our local communities.

Ethical Responsibilities

- The Lallemand Group's ethical behavior is based on honesty, equity and integrity. Our ethical responsibilities are covered separately in our "Code of Conduct" where all relevant criteria are captured including "Corporate Governance" which aims at protecting the legitimate interests of

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our staff and stakeholders in a fair, appropriate and effective way.

- We are committed to acting responsibly for the legitimate needs of consumers and addressing “Consumer Rights and Issues”. We pay attention to customer service and support functions; our Complaints database records how effectively the timeline within which complaints are dealt with and resolved, with the aim of continuous improvements. We also benchmark our product quality and customer satisfaction through different relevant certification systems. The Lallemand Group is also developing and improving a well-structured software-based customer relationship management system.
- Within our Code of Conduct, we are committed to respecting the principles and rules of fair competition and “Fair Operating Practices”. These are based on the highest business ethics considerations with emphasis on safeguarding the organization from unfair/prohibited practices like bribery, any form of corruption including facilitation payments, money laundering, insider trading, *etc.*
- We comply with applicable trade restrictions and are aligned with the rule and regulations related to applicable standards and fair business practices globally such as [the Principle 10 of the United Nations \(UN\) Global Compact](#) and other practices on data protection and security.
- Asset management, data management and confidentiality aspects are also covered in different internal policies and standard documents like the IT policy and the Confidentiality agreement and Non-solicitation obligation.
- Dedicated policies and tools are also in place to implement internal control and to detect/prevent fraudulent activities (refer to Fraud Policy). Every employee has the right to, and is encouraged to, report possible illegal or unethical conduct through usual reporting channels. Moreover, to raise and report concerns the “Whistleblower Process” procedure also exists and is part of our internal communication system described in our Code of Conduct.

Social Responsibilities

- Lallemand shares the common normative base in the International Labor Organization’s (ILO) Declaration on Fundamental Principles and Rights at Work, the Principles 3 to 6 of the [UN Global Compact](#) and supports the principles set out in [Universal Declaration of Human Rights](#) and hence does not support any form of forced, bondage, indentured, trafficked, child, slave or prison labor (with the exception of government approved programs that utilize convicts or prisoners on parole, supervised release or on probation or in any penal or reformatory institution).
- Lallemand strongly believes diversity is a source of innovation and does not discriminate against any employees based on their race, color, religion, national or ethnic origin, ancestry, age, disability, gender, pregnancy or maternity, marital status, sexual orientation, gender identity or expression, political or personal belief, or union membership.
- We are committed to preventing accidents, injuries and or illness that might arise due to working conditions.
- Lallemand strives to protect its employees, contractors and other actors along the supply chain by acknowledging and implementing the [ILO fundamental principles of occupational health and safety](#) including comprehensive programs on safety at the workplace.

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Environmental Responsibilities

- We strive to preserve the environment by striking a balance between economic growth and environmental performance based on the triple bottom line principle (People, Planet and Profit). Many of the solutions we offer help our customers decrease their footprint, from the reduction of food waste to the reduction of fossil fuels. Furthermore, our environmental management policies cover, but are not limited to, responsible water usage, wastewater monitoring, control on the release of hazardous substances, solid waste management, reduction in airborne emissions and noise levels, as well as limited land contamination, biodiversity conservation and responsible energy consumption.
- We are committed to staying in compliance with all national, regional and local laws in terms of environmental permits and mandatory reporting.
- We are committed to avoiding damage to the environment by reducing the use of health damaging chemicals, which are regulated through regulations like [REACH](#) (Registration, Evaluation, Authorization and Restriction of Chemicals) and [Proposition 65](#).
- All our sites have policies and procedures to manage hazardous and non-hazardous waste.
- We are committed to addressing and assessing the impact of our policies, operation and decisions on the ecosystem and biodiversity to save it from additional damage. We comply with the principles of fair access and benefit-sharing as described in the [Convention on Biological Diversity of 1992](#), [Cartagena Protocol of 2002](#) and [Nagoya Protocol of 2010](#).

United Nation's Development Programs on Sustainable Development Goals and Sustainable Procurement

At Lallemand we believe that companies have key roles to play in achieving the UN Sustainable Development Goals ([SDGs](#)). Out of the 17 SDGs we see our significant contributions in seven main categories – zero hunger, good health and well-being, affordable and clean energy, decent work and economic growth, responsible consumption and production, climate action, life on land.

Striking the balance with economic growth we practice sustainable procurement in our supply chain. We do apply sustainable procurement and production by following these approaches:

- Incorporating sustainability criteria in the organization's purchasing evaluations through our Supplier Code of Conduct and supplier assessment (questionnaires/auditing/ compliance checks, etc.).
- Promoting the concept of circular economy by using by-products as raw materials (e.g. use of molasses as substrate).
- Adding values to some of our by-products to contribute positively in sustainability.



Communication

This policy is available on Lallemand’s Intranet portal

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<i>Owner:</i> Antoine Chagnon, President and CEO of Lallemand Group	

Related policies

- [Code of Conduct \(PO.01.01.e\)](#)
- [Fraud Policy \(PO.01.02.e\)](#)
- [IT Policy \(PO.03.00.e\)](#)
- [Supplier Code of Conduct](#)