



2022 Sustainability Report

EXECUTIVE SUMMARY

OVERVIEW

Alltech is committed to prioritizing the efficient production of nutritious food while working to minimize our carbon footprint and helping producers worldwide find and implement solutions to their sustainability challenges.

The [2022 Alltech Sustainability Report](#) offers an in-depth look at the ways we are **demonstrating our commitment** to reducing the impact of our operations on the environment, advancing the United Nations Sustainable Development Goals and the Ten Principles of the U.N. Global Compact, and Working Together for a Planet of Plenty™.



We are sharing our sustainability journey through the lens of our three key Planet of Plenty objectives:

- Replenishing the planet's natural resources
- Providing nutrition for all
- Revitalizing local economies

This report also amplifies the vital role our industry plays in nourishing our people, our animals and our land — now and in the future.

HARNESSING THE POWER OF AGRICULTURE

Our society was built on the ingenuity of our planet's original stewards of the land: farmers, ranchers and growers. Their innovation — and grit — nourished a growing population and paved the way for advancements in science and technology.

Today, climate change disrupts every aspect of agriculture and makes it increasingly difficult to ensure that sustainable nutrition is accessible for the growing global population. Fortunately, the world's best problem solvers are on the case.

We believe agriculture has the greatest potential to positively shape the future of our planet. That's why Alltech is uniting the agri-food community in Working Together for a Planet of Plenty. It's not just our mission. It's our purpose.

"Through collaboration and innovation, the agri-food community can create a world where science-based solutions help ensure sustainable food production for the global population," said Dr. Mark Lyons, president and CEO of Alltech. "Agriculture has already made huge strides in sustainability. Imagine what is possible when we all work toward the shared goal of creating a world of abundance for future generations. **Together, we can provide nutrition for all, revitalize local economies and replenish the planet's natural resources.**"

Through strategic collaboration and stewardship, we can transform the future of our planet with sustainable farming and nutrition.

REPLENISHING THE PLANET’S NATURAL RESOURCES

■ **Emissions baseline:** Alltech’s sustainability team worked with colleagues in the finance, operations, engineering, and health and safety departments, and others, to collect and analyze data from all facilities to determine our Scope 1, Scope 2 and Scope 3 GHG emissions for 2021, our baseline year. *Page 26*



2021 Emissions

Scope 1 — 108,894 MT CO₂e

Scope 2 — 47,525 MT CO₂e

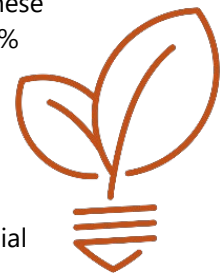
Scope 3 — Primary categories

- Category 1, Purchased Goods and Services — 1,211,569 MT CO₂e
- Category 11, Use of Sold Products — 286,538 MT CO₂e

■ **Reduction roadmap:** We have committed to **reducing our Scope 1 and Scope 2 GHG emissions by 42%** and our **Scope 3 emissions by 25%** by 2030. These targets follow the reduction trajectory recommended by the Intergovernmental Panel on Climate Change. *Page 26*

■ **Investments in efficiency:** Alltech invested \$4.5 million in efficiency projects in 2022. These projects reduced our emissions by 7,600 metric tons of CO₂e per year, which represents 82% of our annual GHG emissions reduction target. *Page 26*

■ **KPIs established and measured:** We developed a set of KPIs to evaluate the sustainability of our business and stay on target to meet our goals. We have evaluated our performance and created future goals in several categories, including environmental performance, labor and human rights, fair business practices, sustainable procurement, social impact, and innovation and product responsibility. *Pages 17–21*



■ **Sustainable packaging:** Alltech and our family of companies have implemented packaging changes for several of our nutritional solutions. Our team carefully studies the available options for each product, fully considering the multiple ways a change in packaging could affect the environment and the nutritional integrity of the technologies we offer. *Page 27*

■ **Sustainable procurement:** We issued the Alltech Supplier Sustainability Questionnaire, which asks about suppliers’ environmental management systems, occupational safety and hygiene, labor and human rights, and eco-certification. Since the questionnaire’s launch in April 2023, 21% of eligible suppliers have completed it and shared their sustainability credentials. *Page 29*

■ **Investing in renewable energy:** Numerous Alltech locations offer electric vehicle charging stations. We have invested in solar energy in Spain and Serdán, México, and a third project is planned at Alltech U.K. in Stamford, England. *Page 30*

■ **Policies that help align our business processes with our sustainability goals:** Alltech’s business policies underscore our commitment to the U.N. Global Compact’s Ten Principles, the U.N. SDGs, and our Planet of Plenty purpose. These policies are focused on issues such as anti-bribery and corruption; a business partner code of conduct; global health, safety and environmental standards; labor and human rights; responsible sourcing; and more. *Page 16*



■ **Creating a culture of sustainability:** Alltech team members around the world are nurturing a culture of sustainability, ever conscious of the impact of our actions on the world around us. We continually look for ways to be more environmentally responsible and find areas for improvement or innovation. From reducing our carbon footprint to conserving resources and streamlining business processes, Alltech team members across the globe are making small changes that add up. *Pages 22–25*

Examples:

- We are engaging with stakeholders and thought leaders from across the value chain to create the **2023 Alltech Sustainability Insights** report, which will help us explore how Alltech, in partnership with the wider agri-food industry, can effect change across the value chain.
- Alltech formed an **innovation department** in late 2022 to help us stay on the leading edge of smarter, more sustainable agricultural solutions.
- **Alltech Serdán** has been certified by Empresa Socialmente Responsable (ESR) for our commitment to policies, programs, decision-making and actions that benefit the industry and have a positive impact on people, the environment and the communities in which we operate.
- We are **digitizing the customer journey**, enhancing our customer experience and improving our operational efficiency in an effort to meet business objectives and sustainability targets.
- For the third year, Alltech has been accredited by the **Pet Sustainability Coalition (PSC)**, a nonprofit organization that accelerates sustainability in the pet industry through education, implementation tools and collaboration.

■ **Industry collaboration:** Alltech has established Planet of Plenty partnerships around the globe, including with La Cooperativa Ganadera del Valle de los Pedroches (COVAP), Noble Foods, and the Clear Center at University of California, Davis. We also collaborate with many organizations and individuals to address some of the most pressing issues facing the agri-food community. *Pages 13–25 and 35–36*



ADVANCING ENVIRONMENTAL ACTIONS IN THE INDUSTRY

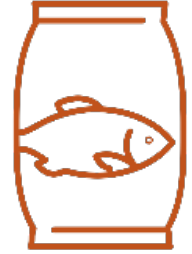


■ **Strengthened by science:** From reducing antibiotic use and antimicrobial resistance to lowering GHG emissions and improving soil health and more, **Alltech researchers** are seeking answers to some of the biggest questions facing the agriculture industry and the world. *Pages 31–34*

■ **Assessing environmental impacts:** We have committed to completing life-cycle analyses (LCAs) of our core nutritional technologies across all our manufacturing sites globally. We have completed seven LCAs and plan to complete 40 assessments by the end of 2023. *Pages 37–38*

- **Alltech E-CO₂ measures and helps reduce agriculture’s environmental impact:** Alltech E-CO₂ has conducted more than 20,000 on-farm and remote assessments globally and has developed assessment models for crops and all major livestock species.
- **Feeds EA helps feed manufacturers reduce their footprint:** Alltech E-CO₂ launched the Feeds EA (environmental assessment) model to help feed manufacturers and producers globally measure and lower the carbon footprint of their feed.
- **Alltech IFM:** Alltech IFM simulates rumen fermentation to evaluate the energy and protein availability of feeds. These labs have analyzed over 10,000 customer samples in the past 10 years.

■ **Alltech Coppens — Sustainability is a catalyst for strategic growth:** Alltech Coppens is a leading global specialist in developing, producing and marketing fish feed and nutritional solutions. We are working to lower the carbon footprint of the Alltech Coppens production facility by reducing our energy use and waste production and by improving internal and external logistics processes to increase efficiency and lower costs. *Pages 39–41*



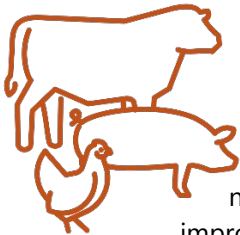
- **Sustainability scoring index:** Alltech Coppens has developed a sustainability scoring index for all aquafeeds. The rankings are established via a comprehensive life-cycle assessment (LCA) using several databases. Each feed's score traces its foundations back through the value chain via detailed LCAs of all the raw materials used in every feed.
- **Reducing marine product usage:** In 2021, 24% of the raw materials used by Alltech Coppens came from marine resources. By 2022, only 20% of those raw materials came from marine resources — equaling a 4% reduction in just one year — and more than 75% were produced from fishery byproducts.
- **Net energy concept helps to ensure consistent performance:** Alltech Coppens is the first aquafeed producer to consider net energy in the formulation of aquafeed. Our formulations neutralize the natural variations of the raw materials in the feed and focus on the differences in the efficiency of the different macronutrients.

■ **ACS enhances crop health and productivity:** Alltech Crop Science applies microbial fermentation and nutrigenomic research to equip farmers with solutions that respond to the increasing requests for enhanced performance, yield and quality in compliance with challenging regulations while meeting consumer demands for added value and sustainability. *Page 42*

■ **Alltech Spain is leading the way to a future of promise:** Alltech Spain is dedicated to helping livestock producers improve their technical and financial efficiency, which also contributes to their sustainability efforts. We completed a study quantifying the GHG emissions of our Spanish facilities and their corresponding carbon footprints. We are also launching several projects to help reduce our carbon footprint and absorb carbon dioxide. *Pages 43–44*



NUTRITION FOR ALL



■ **Helping farmers produce nutritious food more sustainably:** To create a world of abundance, we must do more than feed the growing population. We need to nourish it with quality meat, milk, eggs and seafood that are high in protein and crops that are grown in healthy soil, all while working to revitalize local economies and replenish the planet's natural resources. Alltech has pioneered nutritional technologies that have been proven to improve production efficiency and sustainability and to help rid animal diets of toxins that can harm both the animal and the environment. *Pages 45–48*

■ **AQS continuously ensures quality, safety and service:** The Alltech® Quality System (AQS) works to continuously ensure or exceed customer satisfaction in the areas of biotechnology, quality, safety and service. It exceeds rigorous global, regional and local regulatory requirements for food and feed and ensures consistency across all our manufacturing facilities. *Page 49*

■ **Alltech® Mycotoxin Management improves feed safety:** Through our mycotoxin management program, producers can become better informed about their mycotoxin risk and implement plans to promote feed safety and decrease feed losses. Our Alltech 37+® mycotoxin analysis provides a realistic picture of the mycotoxin contamination in feed ingredients, forages and TMRs, speeding up the process of getting a proper diagnosis, developing a control plan and applying remediation strategies. *Page 50*



■ **Alltech is leading the sustainability conversation:** Through our annual Alltech ONE Conference and Planet of Plenty stories, we are uncovering the latest challenges and opportunities in agriculture, business, health and wellness; highlighting agricultural methods that can improve animal welfare and the environment; and featuring the compelling stories of the people and technologies who make a Planet of Plenty possible. *Pages 52–53*

REVITALIZING LOCAL ECONOMIES

■ **Sharing sustainability with our communities:** Around the world, Alltech leads multiple initiatives to inspire the next generation of changemakers. From bringing science lessons to grade-schoolers to conducting major research about how to capture more carbon with animals on the land, Alltech is sharing the sustainable power of science in agri-food in the communities in which we live and work. *Pages 54–56*



■ **Alltech encourages curiosity:** Alltech invests in learning journeys on which all team members can embark, using multiple platforms and programs and other new avenues for its people to learn and develop in the ways that work best for them. The range of learning opportunities literally spans the globe. *Pages 57–58*

■ **Making a Difference:** Making a difference is inherent to the DNA of every Alltech team member. As a truly global company, we’re in an incredibly unique position to enact positive change at the local level every day. The spirit of giving is ingrained in Alltech’s culture and is reflected through our team members, who adopt local causes that are close to home each year. *Pages 59–61*

■ **Diversity empowers Alltech and the agri-food industry:** Alltech is proud to have a diverse global workforce. Twenty-five percent of our team members worldwide are women, and nearly 40% of all team members in management positions are women. *Pages 62–63*



- **Advanced degrees:** Many women at Alltech hold at least one and often multiple advanced degrees, including 21 doctorates in veterinary medicine; 42 science Ph.D.s and 106 science master’s degrees.
- **Professional development:** More women than ever are participating in and graduating from our advanced management development program, the Alltech Mini-MBA: 34% of the 2022 graduating class were women, and the starting class for 2023 is 53% women. The program continues to recognize and support women in leadership across the organization.
- **Women in agriculture:** Alltech sponsors the Women in Food and Agriculture Mentorship Program, which matches applicants with mentors and offers opportunities to develop meaningful industry connections.

CONCLUSION

Alltech believes a sustainable agri-food sector is both possible and essential. By adopting new technologies, improving business practices and embracing innovation, the agriculture industry is working together to harness the power of human ingenuity and the sustainable science of agri-food to create a Planet of Plenty. We are honored to be part of it.