

Our Corporate Social Responsibility Journey (CSR)

**Original by culture,
Respectful by nature**



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Lallemand Group:

Global leader in developing, producing, and supplying yeast, bacteria, fungi and their derivatives

Lallemand Inc., a privately held global company founded in Canada at the end of the 19th century, specialises in the development, production and marketing of microorganisms and their derivatives. Science-based business units focus on various applications, one of which is Oenology.

For managing and optimising natural fermentation processes, we provide our customers with the precise microorganism or derivative that fits their unique needs, and the support, knowledge and expertise that come with more than 160 years of continuous, research and development in this field. ●



Key figures

5,000+
employees

48
production sites

12
research laboratories

50
countries
on 5 continents

Over
400
people in Research
and Development



Lallemand Plant • Salutaguse • Estonia

Environment Social Governance (ESG) at Lallemand

Our responsibility to our stakeholders (teams, communities, suppliers and customers)

We take every opportunity to minimise the negative impact our operations may have on the environment and our society. To reduce our footprint and increase our efficiency, we invest in projects such as recovering heat, reducing odours, producing energy from waste streams, upgrading to state-of-the-art energy-efficient equipment, reducing water use, and switching to renewable energy sources where possible.

In 2020, we published our first **Corporate Social Responsibility (CSR) policy** to establish a shared framework across Lallemand and our subsidiaries. This CSR policy has been updated in 2023.

In 2023, we established a base line by **measuring our carbon footprint** (scopes 1 and 2) for all our entities, and published **our first sustainability progress report** based on our **Environment Social and Governance (ESG)** approach. ●

At Lallemand, we have to contribute to the United Nations Sustainable Development Goals (SDGs)

The United Nations formulated the 17's Sustainable Development Goals (SDGs) to emphasise that development must balance social, economic, and environmental aspects of sustainability.

With the management policies and products, Lallemand contributes to 11 of the 17 SDGs:

Connected SDGs



Charting a sustainable future: Lallemand's journey in ESG

Since 2022, Lallemand has implemented a company-wide **Environment, Social and Governance (ESG) workgroup** composed of delegates from all our business units. In 2023, we defined our ESG **double materiality matrix** to **identify 9 priorities** topics classified in 3 pillars: product, environmental and social.



David Butel
ESG Reporting Manager
Lallemand • France

Our mid-term goals for ESG:

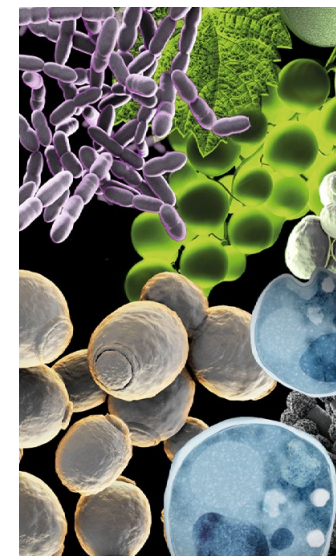
- Define realistic and achievable sustainability targets
- Develop and monitor relevant ESG Key Performance Indicators (KPIs)
- Communicate the benefits of our products and our ESG-related actions
- Measure GHG emissions (scopes 1, 2 and 3) for all main entities in the group

Lallemand Oenology: Microbiological solutions from vine to wine

Lallemand Oenology is an entity of our Oenology business unit.

At Lallemand Oenology, we have been a world leader in selecting, developing, producing and supplying innovative biological solutions for wine since 1970. Our solutions originate from nature and the biodiversity found in different terroirs, including *Saccharomyces* and non-*Saccharomyces* yeast strains and *Oenococcus* and non-*Oenococcus* bacteria. These microorganisms and their derivatives reveal and maximise the grapes' full potential during the whole winemaking process, from vine to bottle.

Our aim is to improve the quality of grapes, develop bioprotection solutions, better control fermentation and *in fine* enhance wine quality and sanitary status, while also respecting the individuality of each wine. We are the only company able to produce wine yeasts, wine bacteria, nutrients and inactivated yeasts adapted to vineyards and oenological applications. We distribute our products worldwide.



Development led by research and collaborations

As a pioneer in visionary biological solutions, Lallemand Oenology has always been committed to excellence, innovation and continuous research. We invest continuously in our own research and development and collaborate with numerous universities, research centres and technical institutes around the world.

Lallemand Oenology's facilities and offices are in the main world's wine regions. Our teams collaborate closely and over the long term with a loyal network of recognised researchers, producers, distributors and specialists who operate in the heart of each wine region. ●

Key figures

100% 
present in all
winemaking countries

A team of over
100 
people, expert
in wine microbiology
and fermentation
*(excluding administrative, logistic
and production services)*

70 
research partners
all around the world

4 
internal competence
centres specialised
in specific R&D expertise

3 
internal
experimental wineries

Our Sustainable journey

A long history of sustainable commitments

In all our activities, we respect and follow the vision, the Corporate Social Responsibility (CSR) policy and the mid-term goals with regard to Environment, Social, and Corporate Governance (ESG) defined by the Lallemand Group.

At the heart of our business are **our ethical relations with our stakeholders** (customers, wine producers, experts, scientific partners, community and suppliers), **our long-term investment** in research and innovation, our products' quality and food safety, and **the continuous improvement of our offer and services** in response to customer needs and market trends.

From the beginning, our strategy, culture and core business have been to develop biological solutions which **maximise the process of transforming grapes into quality wine**, adding value to the world of winemaking. We focus on developing appropriate impactful products for sustainable winemaking and winegrowing.

A long history of sustainable achievements

For over 20 years, **we have evolved in tandem with the wine industry** regarding sustainable development and climate change. This can be demonstrated through our actions highlighted hereinafter. ●



People

- **Since the beginning**
Embracing diversity and respect of our employees' well-being and personal growth. Our local teams are part of the cultures in each of the major wine-producing countries.
- **Since 2000**
Implementation of food safety procedures and certifications in all our production plants.
- **2003**
Our Customer Complaints database became electronic, capturing market feedbacks for continuous improvement.
- **Since 2016**
Customer Complaints database upgrades.
- **Since 2022**
One person designated to attend our corporate ESG workgroup.

Profit

- **Since 1990**
Strong investment in R&D with academics in oenology and viticulture, around the world. With these partnerships, we innovate, register patents, develop know-how and bring knowledge to the industry.
- **Since 2004**
Specific R&D programs worldwide to develop solutions to adapt to climate change impact:
 - With INRAe, yeast selection and nutrition/protection to improve wine quality in higher alcohol or lower acidity conditions.
 - With IFV, selection of wine bacteria to achieve malolactic fermentation at high alcohol level.

Planet

- **Since 1997**
First implementation of the ISO 9002 standard (included in ISO 9001 since 2000) at one of our wine yeast production plant in Montreal, Canada.
- **Since 2000**
Pioneer, developer and promoter of cellar practices that mitigate climate-related issues by reducing energy consumption (such as co-inoculation of yeast and bacteria, ...).
- **Since 2010**
Optimisation of product logistics to rationalise the number of shipments worldwide. For our overseas sites, we anticipate the shipment by sea, avoiding air freight shipment. For European operations, we favour full truck shipments.
- **Since 2012**
Investment in research and microbiological solutions (alternatives to chemical or synthetic products) for vine, to deal with climatic hazards and improve production yields of qualitative grapes, for a more sustainable viticulture and ultimately to optimise wine quality.
- **Since 2012**
Implementation of a certified energy management system at Lallemand production plants (1st one, ISO 50001 in our Passau yeast plant in 2012).
- **Since 2019**
Founding partner of the consortium on vine and wine at Institut Agro Montpellier (France), of a research program on microorganisms adaptation to new resistant varieties and sustainable winemaking (energy saving).
- **Since 2023**
Space optimisation during shipment: In our main warehouse (Fredericia, Denmark), we have implemented double stacking for full pallets 480 kg and then 240 kg on top, in full containers, for sea shipment.

Our Sustainable journey



Olivier Abguéguen
President & General Manager Oenology
Lallemand • France

We actively participate in a sustainable future throughout our value chain

As one of the leaders in our field, and as a responsible and respectful entity, we have always been mindful about our responsibility towards our customers, partners and employees. We have continuously strengthened our actions to establish loyal and reliable relationships with them. The new climate and environmental situation make our responsibilities even greater. We must actively participate in a sustainable future.

We have built our current position as a leader over 50 years on grounds of:

- **Our ethical, transparent and respectful approach** with our teams, customers and all our partners
- **Our spirit of sharing knowledge with our customers**, the winemaking community and our teams
- **Our long-term investment in R&D and innovation** to develop visionary and impactful biological solutions that support our customers and winemakers facing new environmental and sustainable challenges
- **Our products' safety, quality, efficiency**, and in compliance with regulations
- **Our Lallemand production sites and facilities' commitments** to quality standards and environmental certifications
- **Our actions to streamline supply chain worldwide**



For the coming years we will focus on:

- **Apply the CSR strategy and KPI measurements** of our company,
- **Reinforce new initiatives** within our strategic action plans.

Our mid-term initiatives are:



- **Measure and monitor the carbon footprint** of our main facilities
- **Evaluate the use of recyclable packaging** without compromising product quality or shelf life
- **Continue to reduce the number of shipments of our goods**, anticipating with our main customers and local companies to avoid back orders and optimising our product transportation (full truck, sea shipping)



- Continue to develop new products **to help mitigating climate change**
- Continue to develop new products **with a positive environmental impact**



- Continue to **invest in research and development**



- Continue to **support diversity** in the workplace and gender equity
- Continue to **develop our employees' professional skills** with a training guide follow-up



- **Continue social audits and evaluations** of our facilities to answer market expectations

Our Sustainable strategy

Lallemand Oenology's overall strategy is therefore to continue being a responsible and virtuous major player offering innovative and approved microbiological solutions from scientific and technical collaborations. Our solutions serve wine quality and value, meet the wine industry's profitability needs and challenges, as well as consumer demands. Our culture of open-minded team spirit encourages listening to our customers and our markets. This is also reflected in the collaborative spirit that animates our different departments.

Five-year business plan

Under the leadership of our President, our multicultural and multidisciplinary management team implements this strategy. Every five years, we draw up a business plan to define, plan and optimise our actions, including our CSR strategy, to develop new products and markets, share our knowledge with our customers, improve our service and meet the industry's changing needs. Our material and human resource requirements are also identified.

Each year, during the annual budget process, our research & development, marketing & communication, sales, quality and production departments develop specific main drivers derived from the five-year business plan, in line with each other and with our general strategic priorities.

Once they have been validated by Lallemand Oenology's President and Lallemand's board of directors, objectives and actions plans, as well as expenses and/or sales budgets, become the responsibility of each department manager. ●



Our Five Priorities for sustainability

In line with our Group's ESG strategy and the objectives and performance indicators that are monitored, Lallemand Oenology's CSR approach focuses on five major areas.



#1 Environmental Responsibility

Reduce our environmental impact and actively contribute to find solutions to adapt and mitigate climate change and its consequences.



#2 Impactful Products

Continue to develop impactful products supporting sustainable viticulture and winemaking.



#3 Innovation and Knowledge Sharing

Share our breakthrough innovations and scientific knowledge for the wine industry's benefit.



#4 Employee Wellness

Care for our teams and their well-being, ensuring they receive the support they need.



#5 Ethical and Responsible Practices

Act and operate with integrity and a profound sense of responsibility.

While we have already carried out numerous actions in certain areas, we continue to advance based on our annual objectives, which are broken down by department, with specific action plans and budgets.

We reduce our environmental impact

Lallemand plants involved in the production of our microbiological products started reducing some years ago their environmental impact through different initiatives. These achievements are recognised by sustainability-related certification under ISO standards.

Connected SDGs

Reusing Water

Since 2019, reusing water by

50% for the cleaning in place (CIP) procedures **collecting condensation water** generated during the evaporation process.

Yeast & Yeast Derivatives Plant • Grenaa • Denmark



Reusing and Upcycling Waste

Around **8% of wastewater** from fermentation processes is treated for evaporation, to create a by-product called "vinasse".

In 2022, over **3,000 tonnes of vinasse** were sold as an alternative to fossil-based fertilizers, as animal feed or as a raw material for biogas production.

In the short term, the installation of a reverse osmosis unit will pre-concentrate wastewater before evaporation, thereby reducing natural gas consumption during this step.

Yeast Plant • Passau • Germany



Reducing Odours

Major investments were completed in 2022 to remove odour from air exhaust outlets via the installation of a wet scrubber, coupled with a new chimney. The wet scrubber eliminates odour emanating from the fermenters and dryers by oxidation, which is subsequently discharged via a 50-metre tall chimney, for the benefit of the local population (Capex for odour reduction was **2.9 million Eur** in total: air scrubber systems in fermentation and spray dryer).

Yeast & Yeast Derivatives Plant • Grenaa • Denmark



Lallemand Plant • Grenaa • Denmark

We reduce our environmental impact

Some of our facilities involved in the production of our products worldwide hold an active sustainability related certifications under the ISO standards, either ISO 14001 (environmental management), or ISO 50001 (energy management).



Mélanie Hebrero Lopez
Quality Manager
Lallemand BIO • Spain

Lallemand BIO has been ISO 14001 certified since 2017

I am in charge of managing this certification, defining and following up on yearly objectives, such as:

- Monitoring company vehicle mileage and fuel consumption
- Selecting ISO 14001 certified suppliers
- Optimising waste collection to reduce the environmental impact of their transportation
- Improving the recycling of plastics, cartons and ink cartridges used by our company and controlling all consumables used during the year. We have two new specific objectives related to reducing food waste and the amount of expired products in our warehouse.



Stephan Griffoulière
Vice-President Operational Excellence
Lallemand Health Solutions • France

Effluents treatment at our bacteria plant in Saint-Simon, France

In 2017, we started to concentrate our effluents on site with the new installation of evapoconcentration unit. The concentrate obtained after evapoconcentration (water charged in organic matters) can be used in bio-methanization to generate new sources of energy such as biogas. In 2022, the revalorisation of Lallemand effluents sent to methanisation centres represents the annual electricity consumption of 120 average households (source: Veolia, 2022).

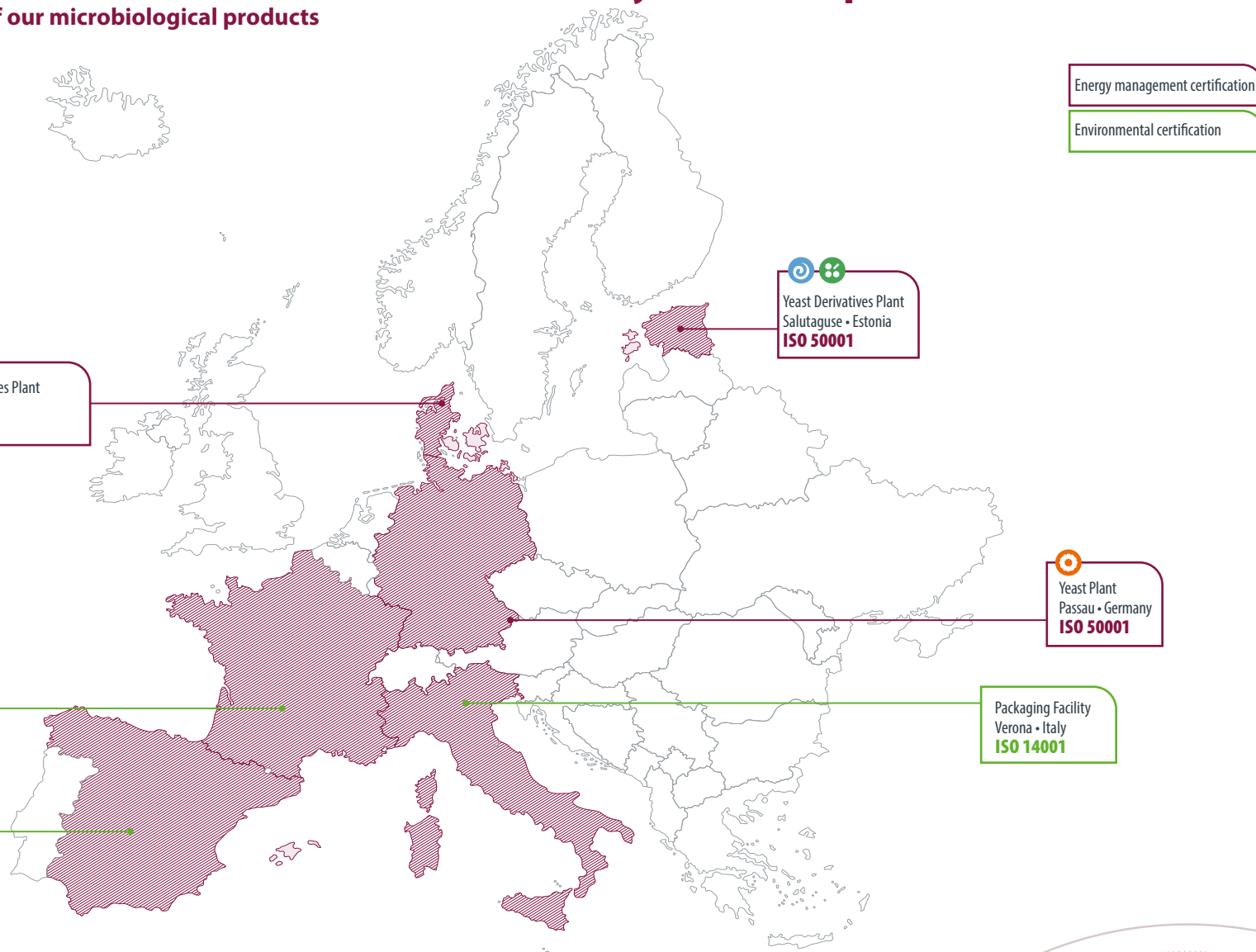
Water management practices at our bacteria plant in Saint-Simon, France

Aware of our water consumption and its impact on local resources, we initiated a water optimisation process in 2020, with 25 water metres installed and connected to the plant's monitoring system. Since the end of 2022, the subsequent optimisation actions have permitted **reducing the "volume of water consumed/volume fermented" ratio by 7%**, while maintaining quality standards. The efforts we made have been recognised by the local authorities and water consumption reduction will remain one of our main objectives in 2024.



Éric Médal
Saint-Simon Plant Manager
Lallemand Health Solutions • France

Energy management and environmental certifications by Lallemand plants worldwide involved in the production of our microbiological products



We reduce our energy consumption and CO₂ emissions

Some Lallemand plants, involved in the production of our products, are reducing their carbon footprint and greenhouse gas (GHG) emissions to mitigate climate change.

Connected SDGs



Investing in Renewable Energy

According to a preliminary estimate, the **solar park**, installed in 2023 with a **132,57 kW** capacity, will produce about **112 MWh** per year, which corresponds to an electricity saving of **8%** for the entire wastewater treatment plant. In north-eastern Europe, this contributes significantly to on-site renewable energy production, in addition to the available biogas production, which fulfilled **4.2%** of the total natural gas demand in 2022.

 Yeast Derivatives Plant • Salutaguse • Estonia



Reducing Energy Consumption

Working in collaboration with the provincial electricity supplier HYDRO-QUEBEC, the Montreal plant installed, in 2022, new turbo blowers with efficient magnetic bearings. **Compared to standard contact bearings, the new blowers reduce electricity use by about 1 million kWh per year.**

 Yeast Plant • Montreal • Canada



Reducing CO₂ Emissions

In 2022, they replaced steam traps to prevent steam loss and reduce CO₂ emissions by

125 tons/year

 Yeast Derivatives Plant • Salutaguse • Estonia

ISO 50001 Certification

Committing to an **ISO 50001 certification** exceeds legal requirements and **makes energy management a key component of all operational activities.** Certification entails regular monitoring and reviews, leading to strategic and operational goals, a yearly internal and external audit, regular training of all employees, and much more. This important and systematic approach delivers long-term reductions in specific, and in the best-case scenario, absolute, energy use.



Susmita Banerjee
Sustainability and Regulatory Affairs Manager
Lallemand Bio-Ingredients • Estonia

We invest in energy efficiency in our plant at Grenaa

After starting our ISO 50001 certification in 2016, we defined a new framework for acquiring energy efficient equipment according to Best Available Technology. For example, we built a new mechanical vapour recompression (MVR) evaporator, **which saves over 22,000 MWh/year in fossil fuel consumption, adding to an annual reduction of about 8,000 tons of CO₂ (emission factor from Grenaa's fossil fuel mix).**

We're optimising energy efficiency in our yeast plant at Passau

Lallemand Wienering GmbH in Passau has been ISO 50001 certified since 2012. Recent improvements include installing **a new more resource and energy efficient fermentation and drying building** in 2019, renovating cooling storage rooms for yeast packaging, using refrigerants with a lower GWP (global warming potential), and improving wastewater treatment system processes. Since 2021, we have vastly improved our energy measurement system. **It's easier to allocate energy use by operation and to provide digital data.**



Isabel Schueller
Energy and Environmental Manager
Lallemand EMEA • Austria

#2 Impactful Products

We develop impactful solutions to support sustainable viticulture and winemaking

Our natural solutions optimise winemaking processes, adding value to wines for an enduring relationship with winemakers, reducing chemical additives and physical treatments, and reducing wineries' environmental impact through better energy use.

Moreover, we have developed a natural vineyard solutions range, to mitigate the climate change impact in vineyard.

Most of our products are suitable for organic wine production, meeting local regulations.

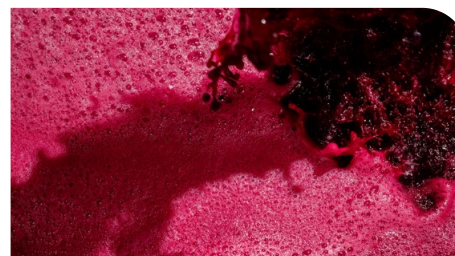
Connected SDGs



Our sustainable solutions for viticulture

An alternative to synthetic products, the **LalVigne™** product range can help vineyards recover from damage due to extreme weather events, advance phenolic maturity or increase aroma precursor accumulation.

- **LalVigne RESILIENS™** helps improve vineyard resistance to many abiotic stresses, increase yield and accelerate plant recovery following unfavourable weather conditions during the vegetative cycle.
- **LalVigne PROHYDRO™** helps to keep vine performance even with **lower water use**. In some conditions, with **50% less irrigation** in the treated plants, LALVIGNE PROHYDRO™ helps to keep **similar values of leaf water potential and photosynthesis rates**. Applied preventively during water stress conditions, **it improves vine adaptation and resistance to water deficit** and accelerates recovery.



Paul Zeiss
Area Manager Service & Innovation
Lallemand Oenology • Germany

A Gold Medal for ML PRIME™ and its sustainable use



During the German Winegrowers' Association (DWV) Innovation Awards, **ML PRIME™** won the gold medal in the Processing and Process Control category as the most innovative oenological product in 2022. **It achieved the highest scores in all seven criteria, including the level of innovation, influence on wine quality, sustainability and ease of use in practice.**

ML PRIME™ efficiently stabilises wine and requires less labour and time, for a better impact on final wine quality at a similar cost of a classical double salt deacidification treatment.

Lallemand Oenology develops innovative and adapted solutions

Developing solutions to help wine producers adapt to ongoing challenges is key for sustainability. **The research and development team at Lallemand Oenology has done impressive work.** I included many of their solutions in the microbiology section of my book "Quel vin pour demain ? Le vin face aux défis climatiques." When higher pH and lower acidity are an ongoing concern, and there's an increasing desire to produce wine with less or no sulphur dioxide, tools like **IONYS™** (*Saccharomyces cerevisiae*), **LEVEL² LAKTIA™** (*Lachanea thermotolerans*), **ML PRIME™** (*Lactiplantibacillus plantarum*) and **LEVEL² INITIA™** (*Metschnikowia pulcherrima*) for bioprotection can help winemakers make sound wines, free of faults.

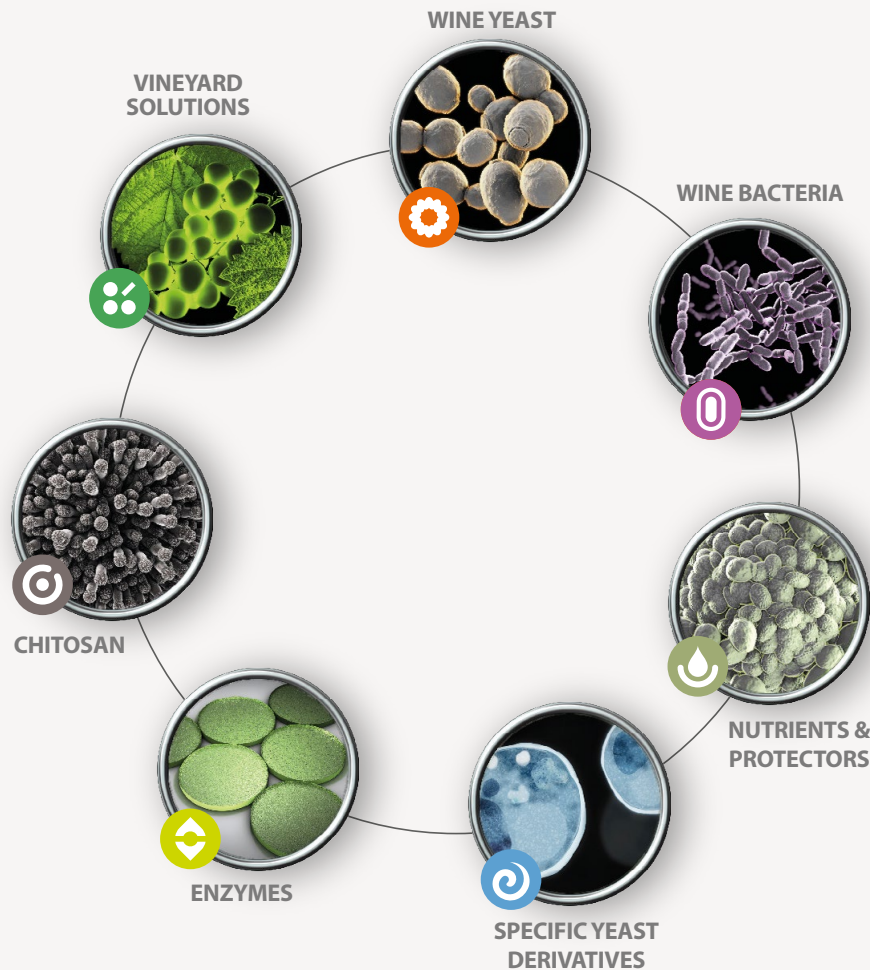


Michelle Bouffard
WSET Diploma, Sommelier, author,
founder Tasting Climate Change • Canada



#2 Impactful Products

Comprehensive natural solutions to reveal and maximise the grapes' full potential throughout the winemaking process, from the vine to the bottle



Our sustainable solutions for winemaking

Our natural microbiological solutions help winemakers adapt to new climate change challenges, achieve their new environmental and sustainable objectives, and meet continuously evolving consumer expectations.

1• We develop new, efficient natural products and bio-protection solutions as alternatives to adding SO₂

The following two products **reduce the use of SO₂ by 50%**:

- **LEVEL² INITIA™** has powerful properties to bio-protect grapes and musts against oxidation and spoilage microorganisms. White and rosé wines preserve their key quality components and freshness.
- **GLUTASTAR™** is the richest natural antioxidant to protect musts and wines against browning and aroma oxidation. Aromatic expression and freshness are better, and thiols and esters are preserved longer.

2• We select new microorganisms to naturally acidify wines

- During alcoholic fermentation **IONYS_{WF}™** can naturally **increase total wine acidity by up to 1.4 g/L** (ex. tartaric acid).
- With **LEVEL² LAKTIA™**, the average biological lactic acid content increases during alcoholic fermentation, **reaching up to 5 g/L in wines**.

3• We encourage bulk wine transportation

With **PURE-LEES LONGEVITY™**, wines can be stored, aged and transported in bulk or flexitank. Wines sent by bulk in flexitank with **PURE-LEES**

LONGEVITY™ retain their aromas and freshness and are protected from oxidation. This method of transport **can help reduce the carbon footprint of the wine** by about **40%**, compared to shipping already bottled. Depending on the final packaging, shelf life can be extended.

4• We promote new solutions and vinification practices that reduce energy or water use in wineries

- **Co-inoculation, a practice introduced more than 20 years ago by our team**, is a game changer for the wine industry. Properly accomplished with **ML PRIME™**, or with our **MBR™** or **1-STEP™** selected wine bacteria, malolactic fermentation quickly launches and finishes using alcoholic fermentation's **natural heat production**. Mechanically heating the wine tank is no longer required. **Co-inoculation saves 100% of energy during this crucial winemaking step**.
- **GO-FERM STEROL FLASH™** revolutions and speeds-up the wine active dry yeast rehydration with **NO need to heat the water** versus classical rehydration at 37 °C. Wine yeast fermentative and sensory performances remain ensured.
- Filters become less clogged and their **lifespan increases by 25%** with **LALLZYME MMX™**. Filtration is easier and **requires less water** to clean filter aids.

We share innovations and scientific knowledge to benefit the wine industry

Inspired by nature and the biodiversity present in the grape and wine ecosystem, we cultivate a distinct vision of innovation that combines leading-edge science with our team's multidisciplinary expertise. We devote considerable resources to share our research with the wine community.

Connected SDGs



Innovation

Our R&D department is at the forefront of pioneering scientific disciplines and the high potential tools they develop, to better characterise our microbiological and natural solutions are elaborated to always respect the wine environment. Their ability to quickly adapt is based on a synergistic collaborative approach.

Lallemand Oenology's daring exploration and originality result from a scientific approach – the guarantee of reliability, performance and longevity that serve a diverse and unmatched offer.

Every year, we launch at least

3 new products and, in the last five years

More than **70%** are sustainably oriented



Research Sustainably Oriented

Our open and dynamic innovation generates a global flow of knowledge fed by a collective of international scientists at the leading edge of research in microorganisms and wine.

Since the 1970s, we have built the largest global partnership of scientists specialised in oenology and viticulture in wine regions across the world. The network includes world-renowned public and private organisations that are fully invested in biotechnology, microbiology, viticulture and oenological research. **Over the last ten years and with a focus on sustainability**, we have been investing in many international research programs to develop visionary and impactful biological solutions that support winemakers in their environmental challenges and sustainable objectives.



Key figures

100% of our products are selected or sourced from nature

70 research projects are supported every year

More than **9** patents since 2002

More than **50** scientific papers in the last three years

Over **20** theses supported in the last ten years



#3 Innovation and Knowledge Sharing



Sharing Knowledge

Our respectful approach to knowledge is based on ethical practices shared among all our employees and partners: equal recognition, transparency and taking part in research. Educating about wine microbiology and the proven benefits of our natural solutions are key objectives for our long-term relationships with our customers.

With our local teams, we provide direct support to winemakers in the wine regions around the globe.

We support knowledge development in different ways:

At least

1 international scientific or technical meeting (Entretiens Scientifiques Lallemand, school, academy) per year

20 local technical events per year

4 master classes in different schools or institutes per year

10 diverse technical publications per year: Wine expert, Winemaking update, Under Investigation, technical and scientific articles



Ann Dumont
Communication Manager
Lallemand Oenology • Canada

We have a real responsibility as scientists to anticipate and support different approaches to help the industry face many and varied challenges.

During the 10th International Symposium, A Taste for the Future (Institute of Masters of Wine). Lallemand was the main sponsor for the session, The Next Frontier in Wine Research and Beyond.

2023 key figures

11 scientific conferences

15 scientific posters

5 theses during 2022-2023

4 patents pending

4 post doctorates

9 international symposiums attended and sponsored



Anne Julien-Ortiz
R&D Director
Lallemand Oenology • France

We develop innovative and natural solutions for sustainable viticulture and winemaking

Over the last ten years, exploring biodiversity has been at the heart of our research projects, enabling us to select a number of Saccharomyces, non-Saccharomyces yeasts and bacteria from vine ecosystem, must and wine. For example, thanks to specific microorganisms, wine bioacidification and must and wine bioprotection are of major interest to winemakers, to meet the challenges they're facing as a result of global warming. These last two years, we have been focusing our research on sustainability topics, as a founding partner of the Vine and Wine Chair with our long-standing academic partner INRAE Montpellier (France). We're also collaborating on projects with several academics and technical institutes worldwide, to reduce energy use in wineries by optimising alcoholic and malolactic fermentation.

Our multidisciplinary research serves sustainable oenology

We diversify our collaboration with Lallemand Oenology, both in terms of topics researched and the ways in which we work together. Our collaboration helps to identify in the biodiversity of yeasts present around wineries, tools ensuring the best winemaking process, while reducing the impact on the environment and health. To achieve this, we encourage researchers to work at our laboratories, fund theses and collaborate on joint projects as part of the "Grand Défi Ferments du futur", or in projects funded by the French National Research Agency (ANR).



Fabienne Remize
Director of the INRAE Sciences pour l'œnologie research laboratory in Montpellier • INRAE Montpellier • France

#4 Employee Wellness

We care for our teams and promote their empowerment

At Lallemand Oenology, our success is also built on our employees' expertise. We invest in their professional skills and their well-being in the workplace, and support new colleagues.

Connected SDGs



Lallemand Oenology Technical Meeting 2023



We encourage personal growth

Our goal is for our employees to grow professionally, in an environment where they feel motivated, encouraged, and supported. We listen to their feedback and expectations. We favour internal promotion.

One of our main goals is to continuously strengthen our teams' skills. In 2023, **more than 80% of our employees participated in internal or external training programs**, such as corporate training, internal technical meetings focus on new knowledge, our products and their applications, and other external training on demand. **We also support our R&D project leaders in attending national or international R&D symposiums and conferences at least once a year.**

An entrepreneurial spirit, collaborative management and work, and autonomy are encouraged. **100% of our managers are responsible for their own expenses and sales budget.**



We foster well-being and safety at work

We embrace diversity and a multicultural spirit with more than **18 nationalities** among the **100 employees** on our team. We support equal opportunity at work, and respect human rights around the world. We are committed to continuously improving hygiene, health, safety and well-being at work, through the use of new methods and technology.

Internal and professional geographical mobility are supported. We invest in hybrid working conditions such as working from home with appropriate equipment and the new digital environment to achieve better collaboration across our teams (Microsoft Office 365, CDP, SharePoint Online, Windows 11, new ongoing ERP).

Our employees are loyal and motivated by their work environment: **55% of our workforce** has more than ten years' seniority. **More than 97% of our employees** have a permanent employment contract.



We develop our workforce

We support gender equity

Our Lallemand Oenology team is composed of 55% of women and 45 % of men.

We have increased our workforce by 22% worldwide over the last five years.

Integrating young employees is encouraged within the company through work-study contracts in several departments (marketing, R&D, technical and market services).

Partnering with schools and universities through our research program, we employ Master's and technician trainees and PhD students. **In 2023, we supported more than 15 students around the world. This is an opportunity to detect and integrate new skilled colleagues.**



Lallemand Oenology Technical Meeting 2024



Jason Amos
Vice-President Oenology
Lallemand - Australia

Managing a subsidiary of Lallemand Oenology means working in total autonomy, keeping our global entity's spirit and rules among our employees

*I am so proud to have worked for Lallemand for over 17 years. I am very fortunate to manage the Lallemand Oenology Oceania and United Kingdom teams from Australia. **I have complete autonomy, and the corporate office trusts me to share relevant market needs for our people and business.** In return, I respect corporate policies, Lallemand's business reputation and our customers' expectations and needs. **As a company, we have a culture of continuous improvement** in our processes and training for our people, where good ideas belong to everyone. Cooperation spells success for all of us.*

Even from a distance, integrating the Lallemand Oenology team is easy

*I joined Lallemand in July 2022. I work from home and, with our IT tools, I've been able to meet people quickly worldwide and get remote training, for smooth integration. I'm always in contact with colleagues by e-mail and Teams. Sharing files and documents through SharePoint and OneDrive makes working easy. **The new technologies really bring people together!** In early 2023, I went to France to physically meet the people I work with, and visited one of our competence centres in Blagnac and the bacteria plant near Aurillac. It was very useful to see all these facilities myself. **Attending Lallemand Oenology's annual technical meeting is also an interesting way to learn more about new knowledge and developments, meet teams from all over the world and catch up the company's culture.***



Yiqian (Tanya) Wang
Technical and Marketing Manager
Lallemand Oenology - China

#5 Ethical and Responsible Practices

We act and operate with integrity and a profound sense of responsibility

We aim to protect our stakeholders' legitimate interests and ensure product quality, while preserving the environment during our operations. To satisfy our customers, we constantly improve our services.

Connected SDGs



Quality Products

Lallemand Oenology's policy is to meet customers' expectations while ensuring food safety and compliance with all government regulations.

100% of our production sites assess risk, apply HACCP principles and have a Global Food Safety Initiative (GFSI) certification scheme. Some facilities have implemented an ISO 9001 Quality Management System. A unique batch number system guarantees product traceability from raw materials to market.

As an example, all our wine active dry yeast undergo at least 20 rigorous quality tests before market release, more than OIV (International Organisation of Vine and Wine) requirements.

Investing in our quality system means meeting safety and quality objectives and achieving sustainable financial returns.



Responsible Production

We take specific actions as a responsible, ethical, and sustainable producer.

- Lallemand's suppliers and service providers are subject to **Lallemand's Supplier Code of Conduct**
- Some of our facilities undergo the **Sedex Members Ethical Trade Audit**, an international social audit that assesses a site based on the organisation's health, safety, labour and environment standards, as well as business ethics
- Other sites' efforts **are recognised by ECOVADIS**, which focuses on environment, labour, human rights, ethics, and sustainable procurement
- We respond to customer complaints **using a Complaint 2 database system** that helps us make decisions throughout our value chain
- In answer to customer requests, we audit quality assurance at our production sites and organise regular visits to our facilities and laboratories
- We measure our customers' satisfaction every year, directly or with a satisfaction survey sent by our customer service



Ethical Business Practices

Our corporate guidelines dictate our good business practices. These include refusing corruption and harassment, and respecting intellectual property, privacy and data protection, auditor independence and free and fair competition. Fully **100% of our employees agree to Lallemand ethical policies.**

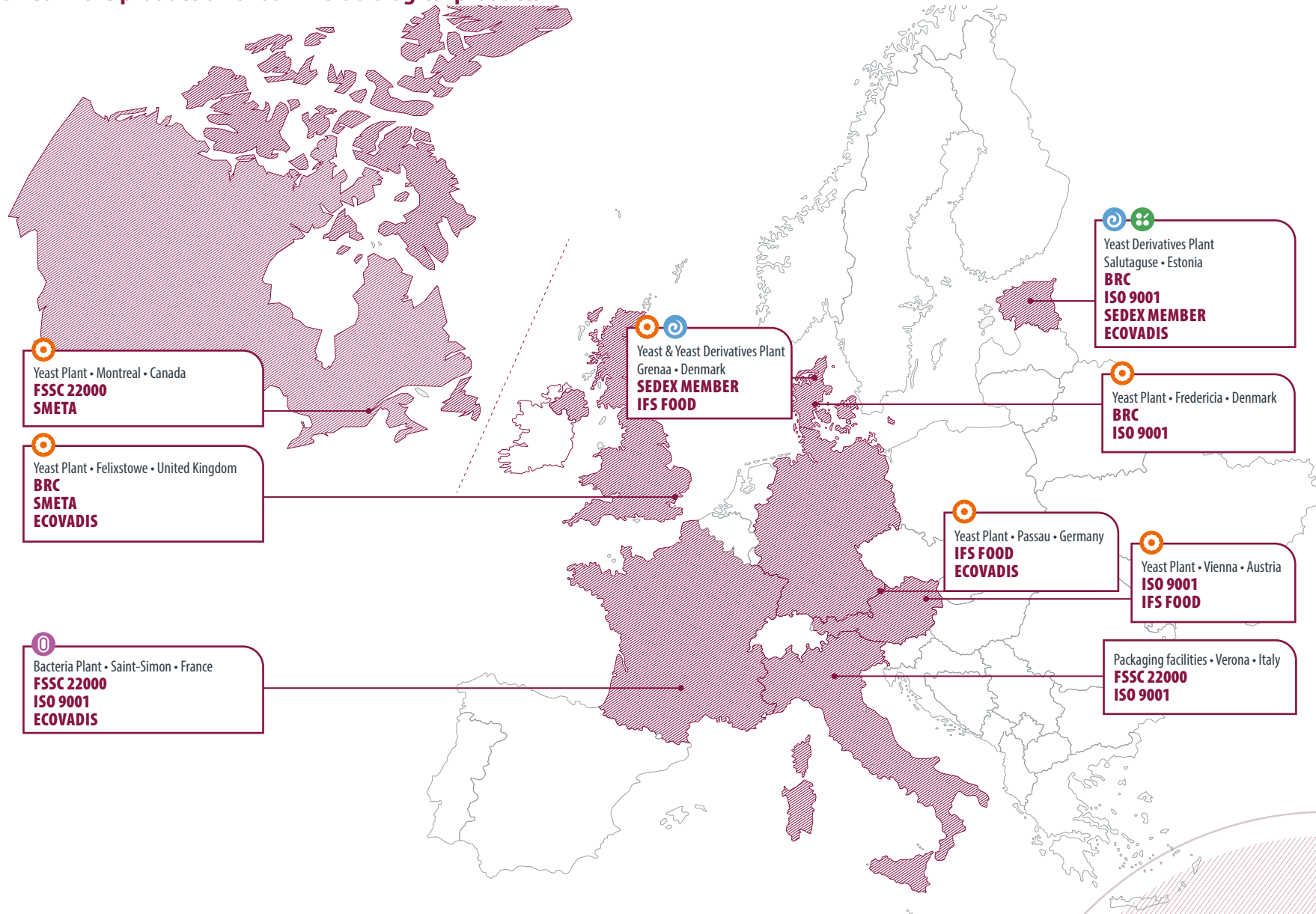
We protect our stakeholders' interests, our own interests, our data and our discussions with our customers, and raise awareness among our teams about digital vulnerability. For the last two years, **100% of our employees have been required to attend monthly cybersecurity training**, to reduce any risk of cyberattacks and threats.





#5 Ethical and Responsible Practices

Food safety global standard and CSR labels by Lallemand plants worldwide involved in the production of our microbiological products



#5 Ethical and Responsible Practices



Dr Nichola Hall
 General Manager, Fermentation and Oenology Department
 Scott Laboratories • USA

From research to winemaking, Lallemand Oenology is a reliable and responsible partner

*My association with Lallemand Oenology began back in 1997 when I was a PhD student working on yeast physiology. Little did I know that I would spend my career both using and representing their cutting-edge biological solutions. I am continually impressed by their dedication to biodiversity and the power of microorganisms. I am honoured to be part of a global network of research scientists, application experts, winemakers and oenologists who reach for the stars daily, **never swaying in their dedication to improving wine quality and enhancing our understanding of wine science.** I continue working with them due not only to their scientific expertise and biological solutions, but also to their unwavering ethical and sustainable approaches to help winemakers succeed today, and importantly, tomorrow. **As a partner, their work and responsible actions give confidence for the sustainable future.***

Our complaint system helps us continuously improve our services

*We use a unique Complaint 2 system for customer complaints reporting. Implemented in 2003 and improved in 2016, this electronic database was developed at corporate level to record market feedback. As Quality Manager and system administrator for oenology, I receive all complaints related to our products. After review, complaints are transmitted to the sites in charge of production and/or distribution. The local production and quality teams and I promptly initiate an investigation. Our quality personnel updates the database with a Quality Control (QC) response. **An initial answer, including a preliminary investigation, is expected within 48 hours.** Further information is provided as our investigation and corrections proceed. **In 2022, corrective actions were introduced following 89% of complaints.***

The Complaint System is the best quality assurance tool for achieving continuous improvement and innovation: the information shows us where improvements really make a difference, and sometimes initiate R&D projects. All employees can play a role in quality management and reporting customer issues. In the end, all our efforts are directed to satisfying our customers, who trust us as a supplier of quality products and services.



Stéphanie Courdesse
 Quality Manager
 Lallemand Oenology • France

Our ethics is to develop a **long-term relationship of trust and prosperity** with our customers. **Their satisfaction is our permanent priority** and we will continue to be a **privileged and responsible partner** for the current and future challenges.



Lallemand Plant • Saint-Simon • France

DISCLAIMER

This edition is intended to provide an initial overview of our entity sustainability journey. It should not be considered as a comprehensive sustainability report. Our entity is in the early stages of documenting and reporting its sustainability efforts that have been initiated a long time ago, and we will continue to make progress in this area in the future.

We have reasonable expectations that in future editions we will be including specific measurements, following our company ESG strategy.

The information contained in this report is believed to be accurate as of March 2024.



Being original is key to your success

At Lallemand Oenology, we apply our passion for innovation, maximise our skill in production and share our expertise, to select and develop natural microbiological solutions. Dedicated to the individuality of your wine, we support your originality, we cultivate our own.

www.lallemandwine.com

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www.lallemandwine.com

