

Statement on Sustainability

At Lancaster Colony Corporation, we recognize that sustainability and long-term value creation go hand in hand. To foster a path to a prosperous future, sustainability factors must be incorporated into a company's financial performance goals and decision-making processes. We look to established sustainability reporting standards and protocols, such as the Global Reporting Initiative (GRI) and United Nations Sustainable Development Goals (UN SDG) for guidance. Most significantly, conserving and protecting water supplies, reducing energy consumption and overall waste, and producing high-quality food products are all core priorities for Lancaster Colony in support of the communities where we operate, our employees, suppliers, customers, investors and other stakeholders.

Water

In addition to protecting all fresh water supplies, the conservation and sanitation of water is vital to the success and longevity of Lancaster Colony. With the momentum of the United Nations Sustainable Development Goal 6 to ensure access to clean water and sanitation, there is a recognized need to protect the world's fresh water supply. At Lancaster Colony, we stand firm in our position that excessive and irresponsible use of water is not acceptable and that access to clean, fresh water is essential. Therefore, we have implemented ongoing testing, monitoring and treatment of our wastewater discharge systems and established best management practices for all storm water runoff from our properties. We have also proactively developed and are employing procedures at our production plants to minimize water consumption and reduce wastewater generation and disposal. Even further, in our supply chain, we work to evaluate and minimize ingredients sourced from water-stressed areas. We aspire to continually practice and improve upon responsible water usage and treatment.

Energy

While we are not a notable greenhouse gas producer and all our production facilities fall below the regulatory output thresholds, monitoring and reducing energy consumption is a priority for Lancaster Colony. We continually evaluate and replace inefficient equipment at our facilities and look for opportunities to reduce energy demand. Some specific recent examples include the installation of light sensors in our warehouse and storage areas, the conversion of florescent lighting to more efficient lighting alternatives and the ongoing monitoring and management of our transportation fleet to improve fuel economy. Collectively, these efforts decrease our company-wide energy consumption and reduce costs.

Waste

Lancaster Colony knows and acts upon the importance of reducing waste. As stated in the United Nations Development Goals, we strive to “do more and better with less” in order to reduce resource use and prevent food loss. By means of identifying and executing Lean Six Sigma projects and Operational Excellence initiatives throughout our operations, we are effectively reducing material loss. More specifically, we have begun to digitize our value streams to help improve material utilization and better identify waste and quality issues. For example, at our dressing plant in Horse Cave, KY, we have significantly reduced overfill losses through investments in process controls resulting in material yield improvements. We intend to continue making strides such as these to better manage and reduce waste.

Food Quality and Better-For-You Food Products

Lancaster Colony also seeks to support the good health and well-being of our consumers to promote long-lasting health and environmental benefits. Throughout our supply chain, we perform audits and tests to maintain and enrich product quality while also soliciting and acting upon consumer feedback with regard to product quality — a top priority. Fostering healthier lifestyles with better-for-you (BFY) food products with a cleaner/simpler ingredient deck and fewer preservatives both conserves the environment and promotes sustainable health. We surpass food safety and labeling standards and continue to grow our selection of BFY products. Our BFY products include, but are not limited to, GMO-free sprouted grain breads, high-fiber flatbread wraps and preservative-free reduced calorie dressings. We are committed to expanding our BFY product offerings to meet consumer demand and promote their health and well-being.