The people of Conagra Brands create everyday foods in extraordinary ways. That means making food that’s contemporary, delicious, safe, nutritious and convenient, and collaborating with others like farmers, suppliers, customers and people who love our food. We’re looking forward to making food for generations to come, and doing so in a way that supports a better planet, good food and stronger communities.
Citizenship

Better Planet
The health of the planet and availability of natural resources is intricately linked to every part of our business, so we’re focused on taking action on climate change, preserving water resources, eliminating waste, and responsibly sourcing materials to ensure long-term access to and availability of resources.

Good Food
We want nothing more than to make safe, delicious, affordable and nutritious foods while providing the information you need to make choices for a healthy lifestyle.

Stronger Communities
Creating shared value with our community of employees, investors, suppliers and business partners as well as the places where we live and operate is critical to our long-term success.

Access our Citizenship report at: http://www.conagrafoodscitizenship.com/
Macro Trends & Simple Economics

• As POPULATION & WEALTH increase, so does demand – especially for food & more diverse diets

• Affluence also drives demand for “perceived” healthier & more sustainable food – many of which are not scientifically sound (and potentially counter-productive – e.g. organic)

• The Earth is mostly a fixed asset, so supply CANNOT rise equally to meet demand

• Conflict between dietary guidelines and the “carrying capacity” of the planet – there are literally “not enough fish in the sea…”

• This WILL drive up costs, some sooner than others

• A sustainable business MUST plan ahead for these pressures
Important Strategic Critical

Highly material to our business
<table>
<thead>
<tr>
<th>Economic Impact</th>
<th>Social Impact</th>
<th>Environmental Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Growing, processing, and transporting food of which 25 - 40% is ultimately wasted</td>
<td>• 50 million Americans have food insecurity</td>
<td>• Energy, water, and land use associated with food production</td>
</tr>
<tr>
<td>• Disposal costs, retailer shrink, consumer out-of-pocket costs, etc.</td>
<td>• Enough nutritious calories are grown and produced in the US each year to feed every American</td>
<td>• GHG generation when food scraps degrade in landfills</td>
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</tbody>
</table>
Food Manufacturers and Food Waste

106 million pounds
of food donated
Manufacturers donate discontinued, mislabeled, bulk or otherwise safe but unsellable product to help feed hungry families

93.4%
of food waste from manufacturing is recycled
Recycled material includes fruit and vegetable trimmings, peels and semi-finished products, such as sauces or leftover ingredients

How are Manufacturers Recycling Food Waste?
86.8%
Animal Feed
3.5%
Fertilizer
2.0%
Composted
1.7%
Biofuel

What are Manufacturers Doing to Continue to Reduce Food Waste?

Industry Collaboration
Policy Change
Logistics

Opportunities:

• Source Reduction
• Non-Traditional Donations
• Recycle w/Energy Recovery
Food Waste Reduction Alliance – Best Practices Toolkit
Published in 2014 & Refreshed in 2016

The following toolkit was developed to help guide companies through the basic steps in food waste reduction. Included are sections on how to get started, as well as suggestions for how to identify diverse solutions.

Executive Summary

Introduction to the Food Waste Challenge

Getting Started: Best Practices to Keep Food Out of Landfills

Solutions to Donation Barriers

Diversion Beyond Donation

Reducing Food Waste Generation

Acknowledgements

http://www.foodwastealliance.org/
Redirect Food Losses to Highest & Best Use

Conagra Brands Endorses the US EPA Food Waste Recovery Hierarchy
In November 2016 we also signed on to be Champions of Change with USDA & US EPA to reduce food waste by 50% by 2030!

Set a 2020 Vision to Reduce generation of waste by 1 billion lbs.

Source Reduction

Feed Hungry People

Feed Animals

Industrial Uses

Composting

Landfill/Incineration

Animal feed is our most effective byproduct diversion outlet

Segregating & donating semi-finished & bulk foods to Feeding America partners

This includes recovering energy from and otherwise finding new uses for organic byproducts

Last resort is to destroy materials without any value recovered. Our Zero Waste Champions do a great job of avoiding this!

Need to revisit this goal – w/o LW, we don’t generate enough byproduct to achieve this vision

Some materials are best suited for soil amendments via compost or direct land application

Conagra Brands Sustainability
Blended SKU-Good for Planet, Too

Waterloo, Iowa

- Changeovers between flavors have historically generated considerable wasted product
- While the product was still safe, wholesome and delicious, the flavors mixed during changeover and could not be sold in traditional channels
- So the team developed a generic, blended label and marketed the product in secondary markets, now generating revenue from what used to be a waste stream

>1000 tons of food waste eliminated annually

214% reduction in total waste generated

Source Reduction
Proving what gets measured, gets managed, Council Bluffs created a standard process to measure the amount of dough wasted each day to identify and implement improvements.

235 tons of food waste eliminated annually

60% reduction in dough waste for the line
During Slim Jim production, a small percentage of scrap, consisting of loop ends, mis-cuts and short sticks, is worked back into the product. The remainder used to go to landfill, but is now donated to a food rescue organization in Metro Detroit.
We Share Because We Care
Russellville, Arkansas

Our frozen facility in Russellville, Ark. began a food rescue donation team to increase donations beyond finished product. Equipped with the slogan “We Share Because We Care,” the facility found opportunities to donate both semi-finished meal components and test product.

406,418 lbs. of food donated
338,000 meals
55 Arkansas feeding agencies

Feed People – Donation
At the cannery in Archbold, Ohio, the Green Team improved the outlet for food waste, twice! The first improvement was to divert 4,907 tons of landfill waste by composting paper, waxed cardboard, and food waste that potentially contained residual raw beef. They continued working, and by proving the remaining food waste was isolated from raw beef, 280 tons of food waste was sent to animal feed.
Canned Energy
Archbold, Ohio

Congra Brands’ cannery in Archbold, Ohio developed a partnership with CH4 Biogas to de-package unsalable canned product. CH4 separates the organics from the packaging, recycling the cans and sending the food into their anaerobic digester to create renewable energy from biogas.
Preservation & Packaging Will Be Part of the Solution to the Root Causes of Food Waste in Home

**Plate Waste**
- Single Serve meals are right sized, so no guilt for a clean plate
- Portion Control packaging reduces losses due to over-consumption and failure during “re-storage”

**Damaged**
- Packaging needs to be effective – get the product into the home
- And functional – it needs to work for the product: cooking features, EZO features, dispensing features – can all enable less product wastage

**Expired/Spoiled**
- Freezing, Aseptic Processing, Thermal Processing and other preservation techniques extend shelf life and protect food safety- allowing consumers more time and flexibility to enjoy our products
- Packaging technologies also extend shelf life via barriers and reclose features, also enabling less waste in home

Modern Processing & Packaging have already had positive impacts on the US Food Supply Chain. Continued innovations can reduce wastes in home.
Questions?