

Conagra Brands
Sustainability



Breaking Down Economic Barriers of Food Waste Reduction

Gail Tavill 02/28/2017



P.F. CHANG'S®

BLAKE'S



CONAGRA

BRANDS



our
corporate
responsibility
philosophy

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.

MEMBER OF

**Dow Jones
Sustainability Indices**

In Collaboration with RobecoSAM 

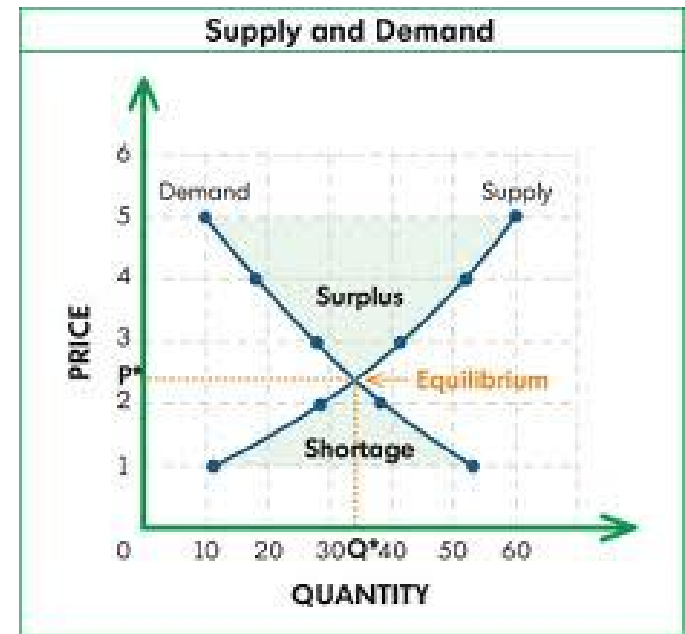
Access our Citizenship report at:
<http://www.conagrafoodscitizenship.com/>



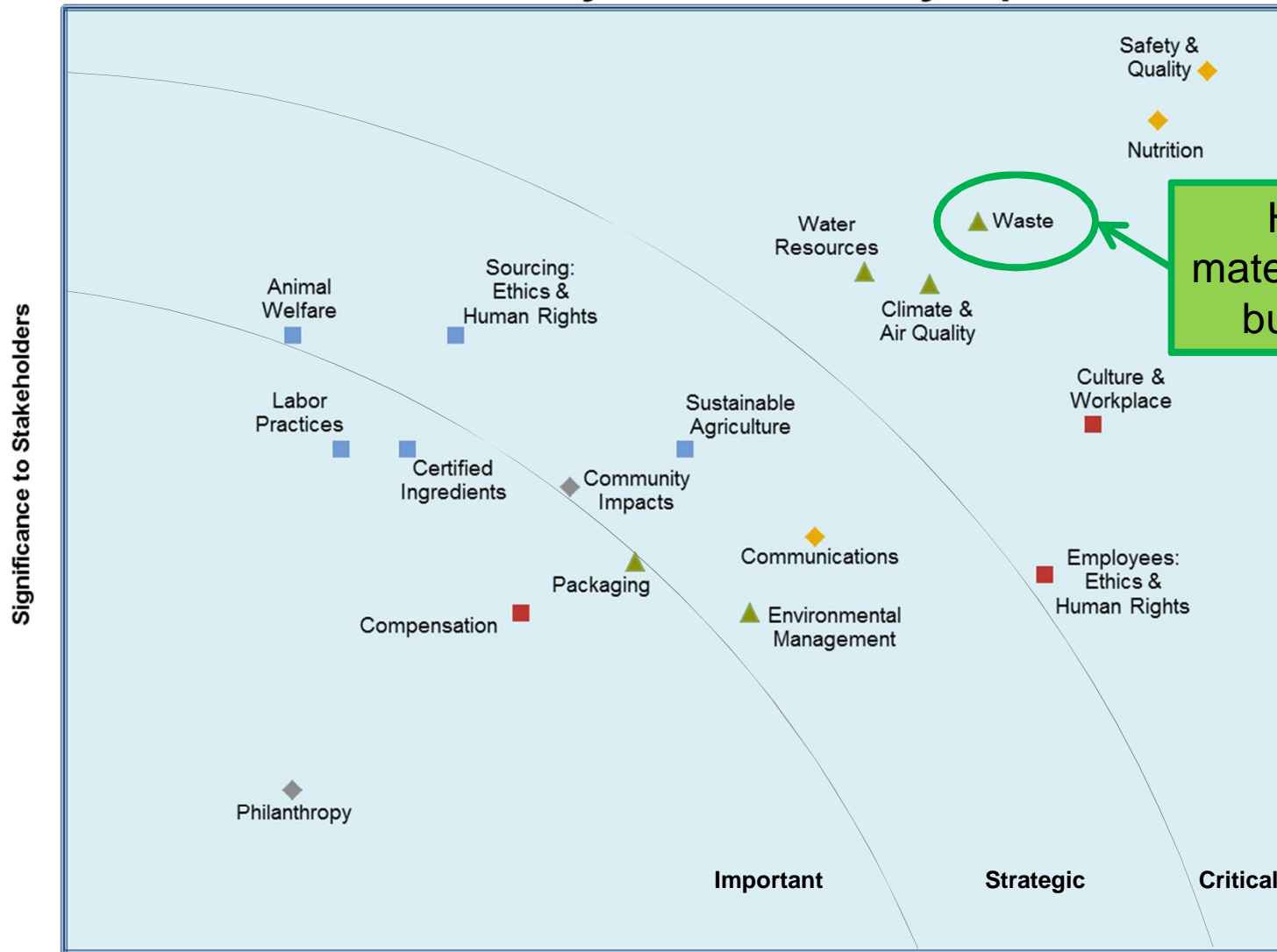
**Conagra Brands
Sustainability**

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



Relative Priority of Sustainability Topics



Highly material to our business

Significance to ConAgra Foods

■ Employees ◆ Our Food ▲ Our Planet ◆ Society ■ Sourcing

Economic Impact

- Growing, processing, and transporting food of which 25 - 40% is ultimately wasted
- Disposal costs, retailer shrink, consumer out-of-pocket costs, etc.



Social Impact



- 50 million Americans have food insecurity
- Enough nutritious calories are grown and produced in the US each year to feed every American

Environmental Impact

- Energy, water, and land use associated with food production
- GHG generation when food scraps degrade in landfills



Food Manufacturers and Food Waste



- Opportunities:**
- Source Reduction
 - Non-Traditional Donations
 - Recycle w/Energy Recovery

What are Manufacturers Doing to Continue to Reduce Food Waste?

Industry Collaboration



The Grocery Manufacturers Association, the leading voice of more than 300 food, beverage and consumer product companies, is part of the Food Waste Reduction Alliance, working with the Food Marketing Institute and National Restaurant Association to reduce food waste generated; increase food donation; and recycle unavoidable food waste.

Policy Change

Working with state and federal policymakers to make food donation and recycling easier.



Logistics

Working with partners to overcome transportation and food storage limitations.



Source: 2014 Analysis of U.S. Food Waste Among Manufacturers, Retailers and Restaurants, prepared by BSR for the Food Waste Reduction Alliance. Based on a survey of 16 large food manufacturers, sample not representative of entire industry.



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

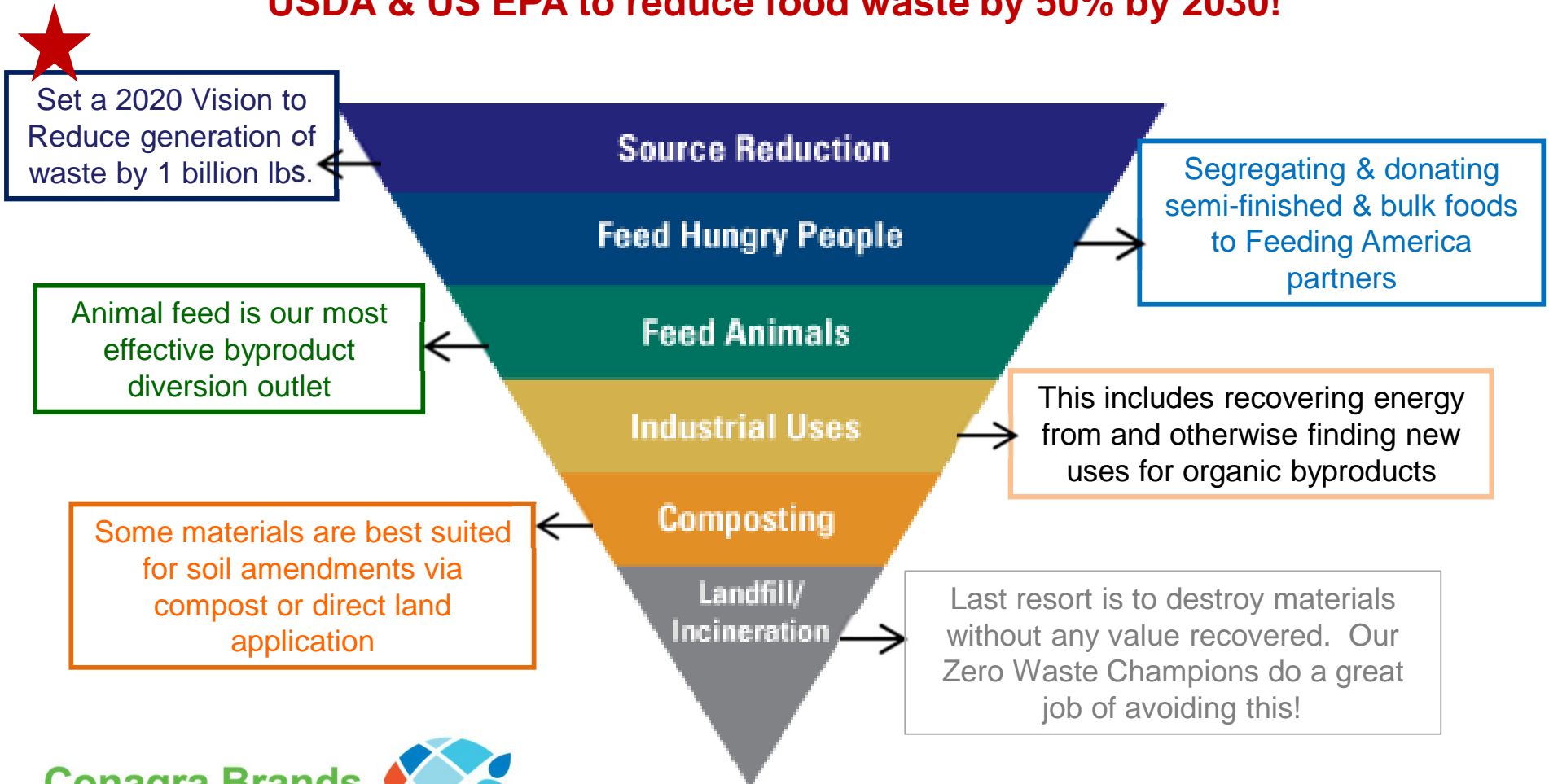
Reducing Food Waste Generation

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!



Conagra Brands Sustainability



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

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



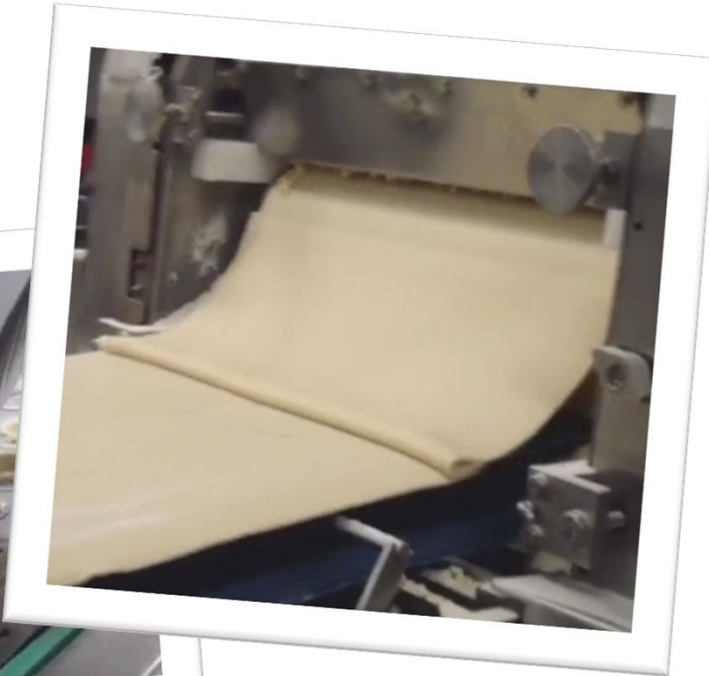
>1,000
tons of food
waste eliminated
annually

21.4%
reduction in total
waste generated

**Source
Reduction**

Make More Dough by Wasting Less

Council Bluffs, Iowa



235

tons of food
waste eliminated
annually

60%

reduction in dough
waste for the line

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.

**Source
Reduction**

Saving Slims

Troy, Ohio



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.

>3.8 Million
pounds of Slim Jim®
pieces donated as of
December 2016



**Feed People –
Donation**

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**

Moving Food Up the Chain

Archbold, Ohio



At the cannery in Archbold, Ohio, the Green Team improved the outlet for food waste, twice! The first improvement was to divert 4,907 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.

4,907
tons composted

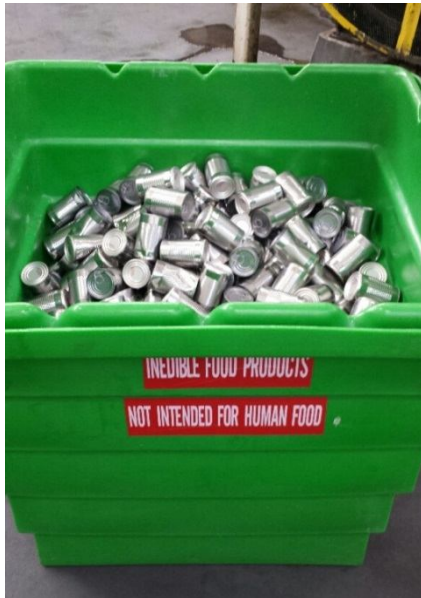
280
tons sent to animal
feed

\$141,800
annual cost savings,
immediate payback

**Recycling –
Feed Animals**

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.

945

tons of waste diverted

10%

increase in diversion rate

**Recycling –
Energy Recovery**

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?

