Sustainability in the food and beverage industry is no longer a term to be sneered at. Oil spills, massive product recalls, negative news about ingredients and packaging, all add up to one thing: people are paying attention — and reacting.

It no longer serves any real purpose to simply tout one's concerns in addressing environmental issues. People want answers, and data — hard data.

Luckily, as this report demonstrates, food and beverage companies are getting the message loud and clear. They are putting whole-hearted efforts into reducing waste of all kinds in their operations, from securing raw materials to delivering their goods to the supermarket. And they are planning new plants and operations to run more efficiently and with more concern for the environment. Their methods vary from the small to the minding to the major, but they all add up to one big benefit to which the environment is the recipient.

Actually, there is another recipient to it all: the bottom line. Those companies who are putting forth actual sustainability programs are attracting more customers, which adds to the bottom line. And, two, many of the sustainability efforts are aimed to reduce the use of materials or fuels, and that saves money, too.

As you'll see in this Report, sustainability is something that can be addressed by companies large and small.

And those companies wishing to start a sustainability program, or enhance an existing one, will surely be inspired by the ideas the companies included here are applying, as reported in this Report or in the sustainability reports and other literature referenced with each company.

McCormick: Sustainability “From Field to Fork”

McCormick & Co., Sparks, Md., as an agricultural-based business, remains mindful of the environment and takes direct measures to preserve and protect its resources.

Globally, it continues to look for ways to reduce material usage rates on all packaging components, such as corrugated cardboard, folding cartons, plastic and glass bottles and more.

McCormick is also investing to research alternative materials, such as bioreins for use in plastic components, continuously evaluating energy-saving projects in its supply chain, specifically in the manufacturing and transportation of packaging material, and conserving energy, water and other natural resource.

The company’s latest stated environmental efforts and goals, using 2005 as the base period, reach into many areas. For example:

- Greenhouse Gas Emissions: To reduce the use of electricity by 15% by the end of 2010.
- Solid Waste: To reduce the amount of solid waste transported to landfills or incinerators by 10% as of 2010.
- In a recent announcement (April 2010), McCormick said that it is adding additional solar power, from Constellation Energy, Baltimore, Md., with an agreement to develop a new 1.8-megawatt (DC) solar photovoltaic power system at the McCormick Distribution Center in Belcamp, Md.
- This will be the largest single rooftop solar installation in Maryland, and the second solar installation developed for McCormick by Constellation Energy. In late 2008, the companies brought a nearby 1-megawatt solar installation online at McCormick’s Spice Mill in Hunt Valley, Md.
- Construction of this latest installation is scheduled to be completed by the close of 2010. It is estimated that McCormick will save $3.4 million in electricity costs over the term of the agreement.

The new solar system is expected annually to generate power equivalent to the amount of electricity used by 195 homes in a year. Generating that same amount of electricity using non-renewable sources would result in the release of more than 1,600 metric tons of carbon dioxide, a greenhouse gas, and the equivalent of the emissions from more than 300 passenger vehicles annually.

“We have had a very positive response to our earlier solar installations from our customers, employees and shareholders,” said Alan Wilson, Chairman, President, and CEO. "With this new project, McCormick becomes one of the largest corporate users of solar power in the state of Maryland. This is a great source of pride and a clear sign of our ongoing commitment to the environment and sustainability in general. Sustainability makes great sense from a business perspective.”
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Campbell Soup: A Four-Pronged Plan


"In this report, we have defined four long-term destination goals that will clarify our purpose, promote strategic alignment across our organization and deliver measurable results," said Douglas R. Conant, President and CEO.

The report describes strategies, policies and programs that will help drive the company toward four comprehensive goals by 2020.

- Reduce the environmental footprint of its product portfolio in half, as measured by water use and CO₂ emissions per product produced.
- Measurably improve the health of young people in communities where the it a meaningful presence by reducing hunger and childhood obesity by 50%. Over the next decade, Campbell will work closely with organizations like the Robert Woods Johnson Foundation, a philanthropic organization devoted to health and health care of all Americans, and Feeding America, a leading domestic hunger-relief charity, to address these issues.
- Achieve 100% employee engagement in CSR and sustainability. Campbell employees will have a CSR-oriented goal incorporated into their annual performance objectives, which can be achieved either individually or as part of a work-affiliated group activity.
- Continue to advance the nutrition and wellness profile of Campbell’s product portfolio, especially through the continued reduction of sodium in soups, sauces, beverages and bakery items.

"For Campbell, conducting business in a socially responsible way is mission critical," said Conant. "We firmly believe that, as we build an extraordinary company, we can also build a better world."

The 2010 Report addresses Campbell operations on a global basis and includes performance metrics from fiscal years 2007 and 2008, where available.

The full report can be viewed at campbellsoupcompany.com/CSR. A 24-page printed report is also available, by contacting csr_feedback@campbellsoup.com.

Coca-Cola: Addressing the Bottled Water Battlefront

As a leading global player in the delivery of soft drinks and other beverages to consumers, the Coca-Cola Co., Atlanta, Ga., is in fine position to not only contribute significantly to the cause of environmental sustainability, but to set a model for others to follow.

And one way the company has demonstrated its commitment towards sustainability is in how it is proactively addressing the current consumer backlash about water packaged in plastic bottles.

The company points out, for example, the importance of bottled water as a convenient, safe and refreshing beverage, and that its portability makes it a popular consumer selection.

Still, the company is committed to using resources responsibly, reducing its environmental footprint and protecting natural resources.

In the Addressing your Question section of its Sustainability link (coca-colacompany.com) under Protecting the Environment, the company points out that it is "making our packages lighter, using more recycled content and supporting comprehensive consumer recycling programs."

Lighter packaging saves energy during production and requires less fuel to transport. And increasing the use of recycled content reduces the need to generate new materials from non-recycled content.

All of Coca-Cola’s branded waters are now packaged in either PET or refillable glass bottles, both of which are 100% recyclable, and in colors (clear, green or light blue) that have the highest recycling value. And its caps and labels are designed to be recycled along with the bottle and are compatible with local recycling systems.

To further reduce waste, the company has launched recycling initiatives throughout the world – on its own and with third-party partners – and has invested more than $80 million towards building six plastic bottle-to-bottle recycling plants throughout the world, including the world’s largest PET recycling plant, in Spartanburg, South Carolina.

And Coca-Cola’s water bottling operations and distribution are local, which means that for most of its water brands the water is collected, bottled and transported locally, with minimal transportation to consumer outlets.

Hormel Foods: Announces Sustainability Progress

Hormel Foods Corp., Austin, Minn., in April 2010, announced the results of the environmental sustainability projects it has implemented at its U.S. manufacturing facilities as part of the company’s ongoing efforts to reduce its environmental impact.

Highlights from fiscal year 2009 of progress made toward achieving the goals set by the company include:

- Reduced water use by more than 447 million gallons in 2009 compared to 2008 from its U.S. manufacturing operations. The company has reduced total water use by more than 590 million gallons, or 9%, over the past three years.
- Sent 7,275 fewer tons of solid waste to landfills in 2009 compared to 2008 from its U.S. manufacturing operations. The company has reduced the amount of solid waste sent to landfill by 16% over the past three years.
- And Hormel Foods is now reporting environmental information as normalized for production.

“Accounting for production levels allows us to benchmark and track our improvements and efficiencies,” said Thomas E. Raymond, named as Hormel’s first director of environmental sustainability in May, 2010. “We are continuously improving our processes and this is an example of how we are further developing and increasing the transparency of our corporate responsibility reporting.”

These highlights and additional information are discussed in-depth in the 2009 Hormel Foods Corporate Responsibility Report, released in May 2010, at hormelfoods.com/CSR.
ConAgra: Setting ‘Transparent’ Goals

ConAgra Foods, Inc., Omaha, Neb., announced recently five aggressive sustainability goals to be achieved by 2015. This is the first time it has set company-wide sustainability goals, the company said.

These goals build on the company’s existing sustainability accomplishments, which began in 1992 with the ConAgra Foods Sustainable Development Awards program.

The five new goals are:
- To reduce greenhouse gas emissions by 20% per pound of product produced as compared to 2008 emissions.
- To reduce water use by 15% per pound of product produced as compared to 2008 water use.
- To divert solid waste from landfills by at least 75% as compared to 2011 levels.
- As compared to 2008, the company will: (a) reduce packaging by 10% per pound of product produced, (b) increase the amount of packaging made of renewable resources from 45% to more than 50%, and (c) increase the use of recycled content in packaging overall by 25%.
- To encourage continuous improvement of the supply chain in the areas of energy, water, materials and waste, and work with growers to further enhance sustainable farming practices that optimize yield while improving land stewardship.

“Because our food is part of the lives of millions of consumers each day, ConAgra Foods has a critical responsibility to create positive environmental change. We can do that by making our food ... in the most sustainable and efficient way possible,” said Gary Rodkin, CEO.

“We’ve set these new transparent sustainability goals to ensure we are a leader in continuously improving the way we make food, and to continue to create more awareness for what others can do to improve as well.”

Since 2007, ConAgra Foods has measured distinct sustainability projects that have reduced carbon emissions by more than 25,000 metric tons, eliminated 4,000 tons of landfill waste and 7,000 tons of packaging materials, and conserved 348 million gallons of water.

And, opening in November, 2010, ConAgra Foods Lamb Weston’s environmentally friendly sweet potato processing plant in Delhi, La., will be one of the first food plants in the country using the newest and best processing and packaging technologies in the industry and following LEED standards for environmentally sustainable construction.

In regards to transparency, the results of ConAgra Foods’ new sustainability goals will be made publicly available in August of each year through the ConAgra Foods Corporate Responsibility Report, which can be obtained at conagrafoods.com/corporateresponsibility.

Mars, Inc.: Reaching Out in Many Directions

Mars, Inc., McLean, Va., a privately owned company, has demonstrated in company literature and announcements that it is reaching out in many directions in support of environmental sustainability.

Here are just a few examples of Mars’ environmental sustainability goals and achievements.

Coca

For decades, Mars has helped bring together the cocoa industry with leaders in related fields to create and fund beneficial research programs that include education and training for farmers, the development of pest/disease resistant cocoa crops, and other avenues regarding cocoa research.

Mars is also working in the field to ensure that cocoa has a sustainable future. Its work encompasses agricultural, economic and health related issues.

The company has established a variety of programs that seek to ensure the long-term sustainability of the cocoa economy, the communities that produce cocoa, and their environments.

And, in 2009, Mars committed to changing both the way and the pace sustainable cocoa farming practices are being advanced by aiming to certify its entire cocoa supply as being produced in a sustainable manner by 2020.

Petcare Products

In March 2010, Mars’ Petcare business, one of the world’s largest, announced its commitment to using only sustainably sourced fish by 2020.

Mars has worked with World Wildlife Fund (WWF) to develop its fish sustainability commitment. WWF is the world’s leading conservation organization, working in 100 countries for nearly a century (See: worldwildlife.org).

The company aims to achieve the following milestones across its entire petcare portfolio:
- Only using fish from 100% sustainable wild catch and aquaculture sources.
- Replacing all wild caught whole fish and fish fillet with sustainable fish by-products and sustainable aquaculture.
- Only using sustainable alternatives to marine fish ingredients.

“We are leading the way with this commitment to use only sustainably sourced fish, and as the world’s largest petcare business we’re in a position to affect real change,” said Pierre Laubies, Global President of Mars Petcare. “We are confident we can be a catalyst for change and, by working with sustainability organizations such as the WWF, we hope to encourage the rest of the industry to follow.”

Solar Powered Manufacturing

In August 2009, Mars Snackfood US, and PSEG Solar Source LLC (a wholly owned subsidiary of Public Service Enterprise Group), a publicly traded diversified energy company, and not affiliated with PSE&G, the New Jersey-based electric and gas utility) announced that it broke ground on a solar garden at Mars’ U.S. Corporate Headquarters and manufacturing site in Hackettstown, N.J.

The solar garden encompasses over 28,000 solar panels, which would provide 20% of the Hackettstown plant’s peak power consumption, and is the largest solar garden in the State of New Jersey to be installed by a food manufacturing plant. It is designed to provide two megawatts of solar electric power during peak hours, equivalent to approximately 20% of the plant’s peak consumption.

The solar garden will also reduce CO2 emissions by more than 1,000 metric tons, equivalent to removing 190 vehicles from the road each year.

The Hackettstown plant has developed other environmental and energy savings initiatives, too, including reducing waste sent to landfills, recycling of packaging and raw material byproducts and a lighting retrofit project, to further reduce electricity consumption.
**Plans & Strategies**

**Hain Celestial: Teas for Trees & a Facebook-Quiz**

The Hain Celestial Group, Inc., Melville, N.Y., has demonstrated a 40-year commitment to social and environmental responsibility in many ways.

For example, Celestial Seasonings® (Boulder, Colo.) use of minimal packaging, including a unique tea bag that requires no strings, tags, staples or individual wrappers, saves more than 3.5 million pounds of waste from entering landfills annually.

Lately, however, the company has reached out to the tea-drinking community with interesting approaches to enhancing the environment: engaging Celestial Seasonings specialty tea drinkers via the Internet.

In 2009, for example, the company partnered with the nonprofit organization Trees for the Future to plant more than one million trees in developing countries around the globe.

By simply purchasing tea or clicking on a mouse, Celestial Seasonings tea drinkers could support the planting of trees in developing countries at the same time help promote environmental and economic sustainability around the world.

The tea drinkers were able to join Celestial Seasonings in planting trees in two ways: 1) by purchasing the brand’s all-natural teas between specified dates, and 2) by visiting celestialsseasonings.com/trees, where they were given the opportunity to participate in an interactive program that turned “virtual trees” into reality.

For each virtual tree planted, Celestial Seasonings sponsored the planting of one real tree in a developing country by Trees for the Future. The online experience enabled visitors to view the “growing” virtual forest of trees and watch their own tree sprout and grow. Users also discovered how trees benefit both the environment and economics of emerging nations by improving the quality of their water, air and soil, promoting biodiversity and generating additional income.

The newly planted trees are expected to remove some 1.5 million tons of carbon dioxide from the atmosphere each year.

In January 2010, the company took yet another innovative and popular avenue to protecting the environment: Facebook, a popular social networking website.

Celestial Seasonings launched the quiz through its Facebook fan page: facebook.com/CelestialSeasonings.

Celestial Seasonings invited people to help preserve the earth’s tropical forests by participating in a Facebook-posted quiz, titled PossibleTEAS. Through the campaign, which launched in January (National Hot Tea Month), Celestial Seasonings pledged to donate one dollar on behalf of each participant, up to $50,000, to Conservation International’s “Protect an Acre” program.

The donation was targeted to support Conservation International’s “Protect an Acre” program, which helps slow climate change and preserves tropical forests around the world. Just $15 protects one acre of tropical forest, so when participants enlisted the support of 14 of their Facebook friends, together they might protect one acre of tropical forest.

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**Ralston Foods: Focusing on Three Core Impact Areas**

Ralston Foods, best known as a supplier of private label products, was thrust into the limelight of mainstream players with its purchase of Post Rte cereals brand from Kraft Foods (August 2008). This also put it into a higher state of public notice, and with that closer notice of its environmental responsibilities.

“Ralcorp recognizes that sustainability is an important part of our responsible corporate citizenship and is a leading concern among our key stakeholders … We understand that achieving environmental sustainability does not happen overnight and requires an ongoing commitment to progress … We know we cannot accomplish everything at once, so, we have been focusing on three core environmental impact areas: our efficient use of energy; management of material waste and recycling; and packaging innovation,” wrote Kevin Hunt and David Skarie, who share the titles of president and CEO, in an online message regarding Ralcorp’s position on sustainability (ralcorp.com/About%20Us/sustainability/).

In fiscal year 2008-2009, Ralcorp contracted a third-party energy consultant and utilities management provider to help optimize its use of energy through a series of audits that were ultimately cascaded throughout its manufacturing network. As a result, many energy optimization projects were initiated. For example:

- Retrofitting and upgrading to more efficient lighting systems – for example, conversions from less-efficient lighting to T5 or T8 fixtures, which increase light levels while decreasing kilowatt usage, and installing motion-sensored lighting to help conserve energy in offices and non-production areas.
- Retrofitting and replacing inefficient processing equipment in manufacturing processes – for example, installing higher efficiency motors, boilers, and refrigeration units, etc., to reduce the amount of energy required to run such equipment.
- Modifying the use of compressed air across the supply chain by upgrading compressed air systems, lowering air pressure, and replacing the use of compressed air with the use of high vortex blowers where possible.
- To diminish the amount of waste it sends to landfills, the company encourages source reduction on both the “front-end” (reducing the amount of material received from suppliers) and “back-end” (managing comprehensive recycling programs to divert material from landfills).

For example, several Ralcorp locations have made changes to the use of incoming pallets, such as increasing their quality to extend reusable life spans, auto-palletizing to reduce slip sheets, and eliminating the use of incoming pallets for selected materials and raw ingredients.

The use of balers to compress corrugate has reduced the number transportation loads for corrugated recycling.

To pursue the development of more environmentally sustainable packaging, it has established an internal committee to guide future environmentally sustainable packaging efforts. Some examples of packaging initiatives have included the following.

- Utilizing cartons and corrugate with recycled content. Some of its lines (e.g., Post, Ralcorp Snacks, Sauces and Spreads, and Ralston Foods) use certified 100% recycled board for its product cartons.
- Where possible, increasing the gap between the flaps on shipping cartons has reduced the amount of corrugated required for those cartons.
- Product packages have converted, or are being converted, to lighter-weight liner materials that use up to 50% less material, require less energy to produce, and require fewer truckloads to transport.
Del Monte: Prioritizing Three Key Focus Areas

Del Monte Foods, San Francisco, Cal., says that many of the initiatives implemented to reduce its use of energy, water, and materials have also saved money — that is, what’s good for the environment has also been good for business.

To effectively monitor its key environmental performance indicators, it has established a baseline year of 2007 with a target year of 2016, prioritizing three key focus areas — processing, packaging and distribution. The targets include:

- A 10% reduction in greenhouse gas emissions per ton of finished product from its manufacturing, warehousing, research & development facilities.
- A 20% reduction in fresh water usage per ton of finished product.
- A 75% reduction in solid waste going to landfill from its operations per ton of finished product.

- A 15% reduction in packaging materials.
- A 7% reduction in total greenhouse emissions through improved efficiency in Del Monte Foods’ transportation network.

At its manufacturing plants, Del Monte has implemented a wide array of energy reduction initiatives, ranging from the installation of photovoltaic solar arrays to numerous efficiency projects and equipment upgrades.

Its Modesto (Cal.) Plant #1, has implemented upgrades that have saved more than $1 million — for example, cutting natural gas use by 20% (770,000 therms), and electrical efficiency use by 12% (3,462,000kWh). Operational improvements have also prevented the emission of over 12 million pounds of greenhouse gas emissions annually, cut water use by 186 million gallons per year, and slashed trash sent to landfills by 64%.

Del Monte is pursuing a number of initiatives to eliminate or reduce unnecessary packaging materials across its portfolio of products. Using 2007 as a baseline year, it has set a 15% reduction goal in all packaging materials by 2016.

Minimizing the distance to transport products, as well as the number of vehicles used, cuts down on energy use, and air and noise emissions while also saving money. Since 2006, Del Monte has cut 36 million miles from its distribution network through a variety of initiatives.

Del Monte says it will continue to identify areas where it can improve, put new programs in place, and measure its progress.

PepsiCo: Performance with Purpose

PepsiCo, Inc., Purchase, N.Y., defines its pledge Performance with Purpose as “delivering sustainable growth by investing in a healthier future for people and the planet.”

This includes environmental sustainability, for example, through the innovative and more efficient use of land, energy, water and packaging in its operations, and responsible and sustainable sourcing, that is, continuously improving its procurement methods and systems.

With regards to sustainable packaging, the company aims to:

- Increase the use of recycled content or materials from renewable sources.
- Optimize packaging design to use the fewest materials necessary.
- Promote the use of materials that can be recycled (for beverage containers, cereal cartons, etc.).
- Minimize post-industrial waste.
- Achieve a lower carbon footprint by ensuring efficient energy usage across the product lifecycle.

As both a food and a beverage company, reducing water consumption is one particular area where PepsiCo knows it can make a significant difference. Its goals and commitments in this regard include:

- Improving water use efficiency by 20% per unit of production by 2015.
- Striving for positive water balance in its operations in water-distressed areas.

PepsiCo’s Sustainability Report details the company’s governance and economic impacts, as well as achievements related to sustainability. It can be found at: pepsi.com/Purpose.html

Smithfield Foods: Appoints First Chief Sustainability Officer

Smithfield Foods, Inc., Smithfield, Va., announced in February 2010, that it promoted Dennis H. Treacy to the company’s new role of senior vice president of corporate affairs and chief sustainability officer as part of the company’s long-term focus on corporate social responsibility and sustainability.

“Our business has become much more complex as we confront increasing government regulation and rising public and customer awareness of corporate social responsibility practices and sustainability,” said C. Larry Pope, president and CEO. “We understand that our long-term success directly correlates with our ability to effectively address these factors and that these programs must be managed from a senior level within our organization. The appointment of Mr. Treacy to this new role demonstrates our continuing commitment to operate our company in a socially responsible and sustainable way.”

Smithfield’s “continuing commitment” includes the implementation of 129 projects in 2008 and 124 projects in 2009 that together resulted in reduced water usage, lower greenhouse gas emissions, increased recycling and less waste disposal.

Those 129 projects in 2008 had a combined investment of $6.1 million that brought $10.09 million in savings, with an impressive ROI of just 6.7 months.

The company partnered with a pallet and plastic container pooling services company that issues, collects, repairs, and reissues pallets and containers from its network of service centers. By better managing pallet supply chain logistics, Smithfield is helping to save:

- 20.7 million pounds of solid waste from entering landfills.
- 64.3 billion BTUs of energy (enough to power 1,700 homes for a year).
- 11 million pounds of greenhouse gas (GHG) emissions (equivalent to taking 960 cars off the road annually, it contends).

Smithfield has also developed a Web-based training program for all of its wastewater treatment system operators, which has been approved for continuing education credits in seven states.

Smithfield’s Corporate Social Responsibility Reports can be downloaded at: smithfieldfoods.com/responsibility/reports.aspx
**Dr Pepper Snapple: 5-Year Goals; First Sustainability Report**

Dr Pepper Snapple Group, Inc., Plano, Tex., announced in June of this year its five-year goals for improved environmental and social performance across the company’s operations. It has also released its inaugural corporate social responsibility (CSR) report: Sustainability in ACTION.

The company’s goals address operations throughout North America and the Caribbean. Its sustainability goals, which are set against baseline data for the 2009 calendar year, include:

- Improving energy efficiency in manufacturing operations by 10% per gallon of finished product.
- Increasing product shipments per gallon of fuel used by 20% — for example, by applying logistics software that configures shorter, more efficient delivery routes and by installing idle shut-down and electronic speed limiters on delivery vehicles.
- Replacing 60,000 vending machines and coolers with more energy efficient Energy Star-rated equipment.
- Reducing its water usage and wastewater discharge ratio in manufacturing by 10% per gallon of finished product.
- Recycling 80% of solid waste in manufacturing.
- Conserving more than 60 million pounds of PET plastic through package reengineering and increased use of post-consumer recycled material.

The report details the progress made since DPS became a public company in May 2008. It also discusses current initiatives that will help DPS achieve its long-term CSR goals.

"Setting and achieving long-term goals to improve our environmental and social performance is a vital part of achieving sustainable growth," said Larry Young, DPS president and chief executive officer. "But this is only a starting point for us. Looking beyond our performance to date and the goals we’ve set for 2015, we understand that sustainability is an ongoing journey. There’s much more to do, and we look forward to engaging our stakeholders to help ensure that day-in and day-out, our focus is always on continuous improvement throughout our business.”

The inaugural CSR report is available at: drpeppersnapple.com/sustainability.

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**General Mills: Latest CSR Report Highlights Progress**

General Mills, Inc., Minneapolis, Minn., has recently released its 2010 Corporate Social Responsibility report (its 40th such report), which highlights both new and long-standing achievements in the areas of health, community and the environment.

Highlights from the report include new and innovative ways the company is trimming waste and reducing its environmental impact.

"To truly live our mission of Nourishing Lives, we must go far beyond achieving financial success," said Ken Powell, chairman & CEO. "It includes nourishing communities around the world by volunteering and giving to worthwhile causes, and nourishing the future by helping to preserve and protect the environment for generations to come.”

The report is divided into three sections: health, community and environment. The following is a brief overview of the report’s Environmental Performance highlights.

- The company’s solid waste generation rate was reduced by 24.5% since 2005 — far surpassing its goal of 15%.
- Water usage was reduced by 2.2% since 2005, which is nearly halfway to achieving a 5% reduction by 2011. More than half of the company’s North American facilities have already met their 2011 water reduction goals.
- Progress on reducing energy consumption and greenhouse gas emission rates has been modest at 2.4% and 2.3%, respectively. But the company expects the systems now in place to produce greater reductions in the future.
- A computer-based transportation system allows the company to deliver products to market more efficiently — helping to save more than 7 million gallons thus far in fiscal 2010, a 16.7% reduction over all of fiscal 2009.

For example, leftover oat hulls from making Cheerios are being used to fuel a power plant near Minneapolis, and oat hulls will also be used to generate electricity for the company’s mill in Fridley, Minn.

General Mills’ San Adrian facility in Spain switched to an electricity provider that uses only natural and renewable resources such as wind power, saving $175,000 per year in costs and reducing carbon dioxide emissions by more than 6,000 tons. The San Adrian plant now gets 100% of its electricity — and a third of its energy overall — from renewable sources.

General Mills is also working with farmers to reduce their use of water, pesticides and fertilizer.

“We recognize that we face many challenges ahead, and are working to develop and extend a new set of environmental goals. But we sincerely believe that we can ‘do well’ for our shareholders, while continuing to ‘do good’ for our customers, our communities and our planet,” said Powell.

General Mills’ 2010 Corporate Social Responsibility report is available for download at: GeneralMills.com/csr.

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**MillerCoors: Launches Corporate Responsibility Web Site**

MillerCoors, Chicago, Ill., announced in November 2009 a new addition to its corporate responsibility platform — a consumer Web site designed to educate and engage stakeholders and consumers on how MillerCoors is taking action and ways in which they can contribute.

The Web site communicates MillerCoors corporate social responsibility initiatives and invites visitors to participate in responsibility efforts across three focus areas: environmental sustainability, alcohol responsibility, and people and communities.

"The new Web site gives us a unique opportunity to connect with consumers," said Cornell Boggs, chief responsibility and ethics officer. "The site invites consumers to share in our action, by pledging to conserve water and contribute ideas that represent how big change starts with small steps.”

The company’s progress against these areas and others and its goals for the future are outlined in its Sustainable Development Report, released earlier this year, titled “From Grain to Glass,” which can be found at: GreatBeerGreatResponsibility.com.
H.J. Heinz: Planting the Seeds of Sustainable Success

The H.J. Heinz Company, Pittsburgh, Pa., demonstrated its commitment to reducing its environmental footprint and protecting the planet’s natural resources for future generations when it formally announced its sustainability goals in May 2008.

In November, 2008, the company published its 2009 Corporate Social Responsibility Report, which highlights the Company’s significant reductions in greenhouse gas emissions, solid waste, energy use and water consumption under a global sustainability initiative that is on track to deliver its goal of a 20% reduction in each of the categories by 2015.

As highlighted in the report, by the end of Fiscal Year 2009, Heinz had already implemented a wide range of its sustainability initiatives at its operations on six continents, and has already achieved impressive results. The company is either well apace of or has surpassed the original 10-year goals set against the benchmark year of 2005:

- 13.4% decrease in greenhouse gas emissions per metric ton of production globally. Original goal: a reduction of 20% over 10 years.
- 27.4% global reduction in solid waste per 100 metric tons of production globally. Original goal: a 20% reduction through increased recycling and reuse of waste.
- 15.8% decrease in energy use per metric ton of production globally. Original goal: a 20% reduction through improved operational efficiency.
- 15.7% global reduction in water consumption per metric ton of production globally. Original goal: a 20% reduction through reuse and improved sanitation techniques.

“Heinz is pleased to report today that we are well on the way to meeting our sustainability goals for 2015. We have achieved significant reductions in greenhouse gas emissions, energy use and water consumption and surpassed our goal of a 20% reduction in solid waste,” said William R. Johnson, Heinz Chairman, president and CEO.

Heinz’s ongoing sustainability initiatives include packaging innovations and the increased use of recycled material to reduce solid waste, enhancing energy efficiency and lowering emissions through new technology, equipment and processes, conserving water at its operations, and utilizing sustainable agriculture techniques where Heinz tomatoes are grown.

Other sustainability projects in various phases of development at Heinz include increasing the use of renewable energy, reducing its carbon footprint from agriculture, and lowering fuel consumption related to transportation.

Since 2005, Heinz has produced a CSR Report every two years. The 2009 report is available online at: heinz.com/csr2009/

Sara Lee: Sustainability Goals Now Under One Umbrella

While Sara Lee Corp., Downers Grove, Ill., has a long history of concern for conservation and environmental sustainability, it has recently begun gathering its sustainability efforts “under one umbrella.” Those efforts include:

- Designing, maintaining and operating facilities to optimize the use of all resources.
- Optimizing the utilization of non-renewable resources.
- Seeking opportunities to increase usage of renewable energy and resources.
- Designing, packaging and distributing products in a manner that lessens their impact on the eco-system.

Selected results to date (normalized for changes in production and indexed to the baseline fiscal year 2005), as published in its 2009 Sustainability Report, are listed below.

- An overall reduction in landfill disposal of 18%.
- A global reduction of the amount of water consumed by 21%.
- A reduction of 2% in the use of all energy sources.
- A reduction of 10% in the use of purchased and withdrawn water.
- A 12% reduction in the disposal of materials in managed, covered landfills.
- An 8% reduction in raw materials used to create food packaging.

The 2009 report also cites with details many specific examples.

At its new coffee production facility in Jundiaí, Brazil, for example, water-saving features include pumps to distribute collected rainwater via a separate system to the shower/amenities areas and the landscape irrigation system. Some of this water is also stored for fire-fighting purposes. This project has reduced the need for groundwater and town supply water by 5,500 cubic meters per year.

During fiscal 2009, the changeover to closed-cycling systems for the coffee grinders at its roasting facility in Sulaaszewo, Poland, will result in annual water savings of 7,000 cubic meters.

In fiscal 2009, a complete redesign — including the bowl, the shipping case, the deli tub, and the pallet pattern — for a re-sealable rigid deli meat tub for a Hillshire Farm product reduced the amount of plastic used by 284 tons and the amount of corrugated by 266 tons, took 6,500 pallets out of the system, eliminated 900 shipping deliveries and the amount of fuel used by more than 42,000 liters.

Sara Lee recently launched a program called Standard Unit Load, based on standard pallet height and weight guidelines, that was able to increase the weight put on each truck by about 14%. In one instance, this program eliminated 800 truckload shipments, resulting in an annual reduction of about 532,000 miles and approximately 1,043 tons of CO2.

In a N.J.-based coffee-processing facility, a lighting upgrade resulted in an energy reduction of 55%, equivalent to planting almost 60 acres of trees or saving more than 68,130 liters of gasoline.

Sara Lee’s energy reduction initiatives are not limited to its production and distribution facilities. Increased efforts at its worldwide headquarters in Downers Grove, Ill., has resulted in the annual recycling of 78 tons of paper, plastic and glass. Meanwhile, the building’s washrooms have been outfitted with on-off occupancy lighting sensors and aerators on the sinks, which is estimated to save 6.3 cubic meters of water per day.

And, at its Claryville, Ky., meat processing facility, a green commuter program provides preferred parking to team members who car pool or drive a hybrid (or alternative fuel vehicle) to work. The facility has already reduced vehicle miles by 2,500 miles per day, or 650,000 vehicle miles per year.

Sara Lee’s 2009 Sustainability Report, which discusses in length and detail its overall sustainability strategy and highlights its fiscal 2009 accomplishments, is available at sarailee.com.
Kraft Foods: Advancing Its Sustainability Agenda

In April 2009, Kraft Foods, Northfield, Ill., reported that it had reached two important achievements that progress sustainability within its agricultural supply chain.

One, the company increased its year-over-year purchase of coffee beans from Rainforest Alliance Certified™ farms by 50%, bringing the total to nearly 30,000 metric tons -- once again making Kraft Foods the world's largest buyer of coffee from Rainforest Alliance Certified farms.

Two, Kraft Foods and other industry, government, and nongovernmental partners joined with the Bill & Melinda Gates Foundation and announced the launch of a comprehensive program that will invest $90 million over five years to advance the sustainable production of cocoa and cashews in Africa.

"These are two examples of the progress we're making in advancing the sustainable sourcing of our agricultural commodities," said Steve Yucknut, Vice President, Sustainability. "This is a journey and we still have work to do, but expanding our sourcing of beans from Rainforest Alliance Certified farms and partnering with the Gates Foundation represent significant steps."

Over the past five years, the company's partnership with the Rainforest Alliance has benefited more than 300,000 farmers and their dependents on more than 60,000 hectares of farmland in developing markets.

Importantly, says the company, the decision to source from Rainforest Alliance farms has been both a sustainability and a business success. In total, eight of Kraft Foods' coffee brands in Europe and North America now carry the Rainforest Alliance seal. This support for farms that have earned Rainforest Alliance certification showcases the commitment its employees have to making a delicious difference in the world, says the company.

In 2005, Kraft Foods expanded the collaboration with the Rainforest Alliance to include cocoa and purchased approximately 3,000 metric tons in 2008. Last year, under its Suchard brand, Kraft Foods became the first European manufacturer of hot chocolate to carry the Rainforest Alliance seal.

In addition to its agricultural commodities, Kraft has set aggressive sustainability goals in five other key areas:

- Reduce plant energy usage by 25%.
- Reduce plant energy-related carbon dioxide emissions by 25%.
- Reduce plant water consumption by 15%.
- Reduce plant waste by 15%.
- Eliminate 150 million pounds (more than 68 million kg) of packaging material.

Kraft Foods says it is making strong headway against these goals, and has published a fact sheet with examples from several initiatives underway in each of the company's six focus areas.

The fact sheet is available at: kraftfoodscompany.com/assets/pdf/KFT FactSustainabilityProgress2009-AFINAL.pdf

Kellogg Co.: Latest GCR Report Cites "Good Progress"


"On what would have been our founder's 150th birthday, Kellogg Company is proud to report on our continuing efforts to further W.K. Kellogg's legacy of building a stronger business while doing the right thing for the environment and society," said David Mackay, president and chief executive officer.

Since its last report, Kellogg says it has made good progress toward its environmental goals by continuing to embed sustainability practices into every aspect of its business. Since 2005, the company has:

- Decreased its energy use by 5.7%;
- Decreased its greenhouse gas emissions by 8.9%;
- Decreased its water use per metric ton of food produced by 7.4%; and,
- Decreased its total waste sent to landfill by 41.5% per metric ton of food produced.

Important to this progress, says the company, is its focus on transportation-related energy use and CO2 emissions.

Kellogg has decreased per-case fuel in its U.S.-operated truck fleet by 40% as a result of designing more efficient routes, restricting idling time and other efforts, for example.

In addition, Kellogg has worked with contract carriers to reduce diesel fuel consumption by 39% compared to 2005, or nearly 11 million gallons per year.

Working with its partners and suppliers to reduce their environmental impact is also an important part of the company's corporate responsibility strategy. Kellogg says it will continue to engage with suppliers on this issue as a part of its responsible sourcing framework, which was launched in 2009 and is discussed in detail in the new report.

The 2009 Kellogg Company Corporate Responsibility Report and an Executive Summary are available online at kelloggcompany.com/CR. A printed Executive Summary is available by e-mailing your request to: corporateresponsibility@kellogg.com.