



MECC – Sustainability Programs & Reporting:

Lessons Learned from a Food Company- Emily Muth
Sustainability Director

Agenda



- Introduction and Overview
- Mission and Key Metrics
- Sustainability Initiatives
- Specific Projects and Innovations

Conagra Brands Overview



Employees

Approximately

18,500



Headquarters

Chicago



Revenue

Approximately

\$12.1 B



Facilities

42



Visit ConagraBrands.com for a full list of our iconic and emerging brands

We Compete in Three Domains with Leading Brands

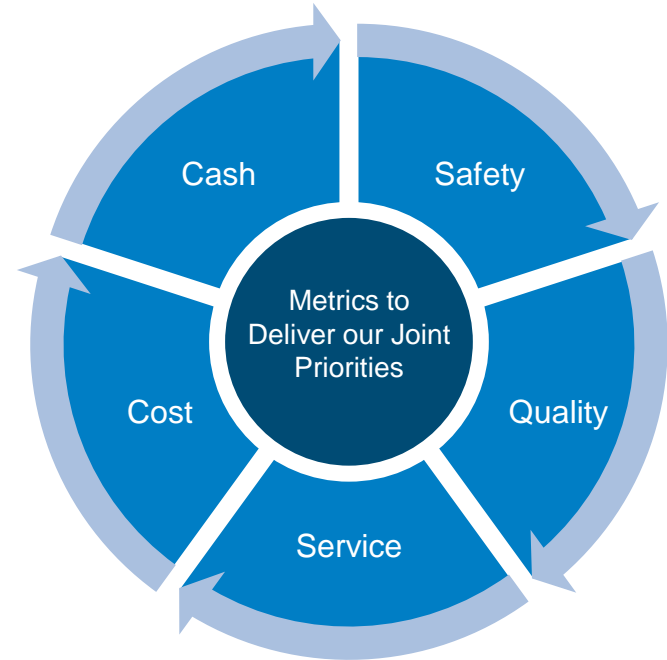
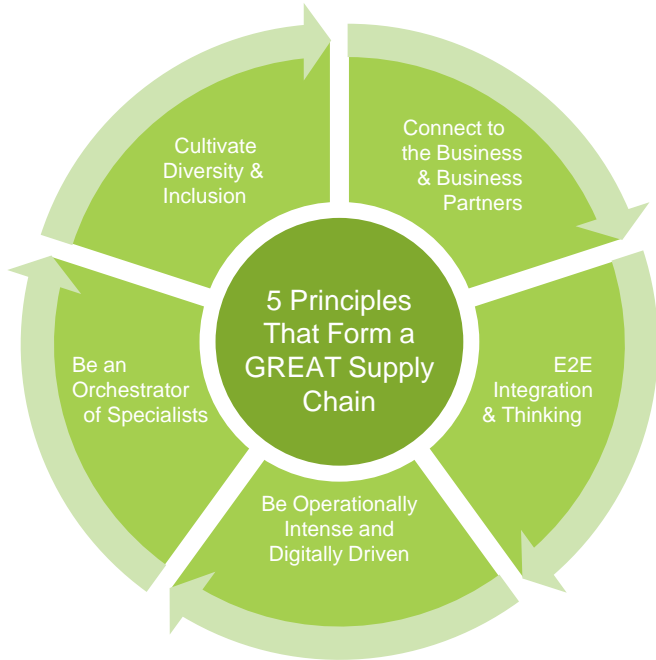
Frozen

Snacks

Staples



Our Mission: Become the Best Supply Chain in the Food Industry



Together We Must Drive Five Key Metrics

1

ZERO
Quality Incidents

2

SUSTAINABILITY
Commitments

3

GROWTH
Through
Improved Service

4

COST
Through
Productivity

5

CASH
Through
Working Capital

Importance of Sustainability in Food Production



Sustainability in food manufacturing is crucial for the industry's success



The industry is facing numerous environmental and societal challenges



Sustainability can enhance the industry's economic, social, and environmental performance



Consumers are increasingly concerned about sustainability practices of food manufacturers

Progress Transparency



**2023 Citizenship
Report**

Our Citizenship Report shares our progress against key environmental and social initiatives across our business.

[VIEW REPORT](#)



Conagra's Citizenship Strategy



GOOD FOOD

We are dedicated to making safe, delicious and nutritious foods that fulfill the needs of modern consumers, while providing consumers with access to the information they want and need to make informed decisions about what they eat.



RESPONSIBLE SOURCING

We approach the sourcing of ingredients and packaging materials with care and consideration. We take into account the potential environmental and social impacts of our products throughout their lifecycle and seek to support circularity through regenerative agriculture practices and thoughtful packaging design.



BETTER PLANET

We believe that responsible environmental practices are a key ingredient for a healthy business. We are focused on lessening the climate-related impacts of our business by reducing energy use, protecting and managing water resources efficiently and minimizing or diverting waste for more beneficial uses.



STRONGER COMMUNITIES

Our ambition is to be the most impactful, energized and inclusive culture in food. Our team is driven by collaboration, innovation and a desire to grow, and we support them with the tools they need to succeed and thrive in their careers. We also help fight the issue of food insecurity in the communities where we live and work through volunteerism, product donations and financial contributions.



Driving Long Term Business Value



| Climate Change | Packaging | Responsible Sourcing | Water | Waste |
|---|---|---|----------------------------------|-----------------------------|
| 20% lower CO2 products by 2030 | Renewable, recyclable, recycled content (PCR), or compostable by 2025 | "Regenerative" ag for key vegetables and popcorn 2025 zero deforestation beef, cocoa, soy, palm oil | Manufacturing water conservation | "Zero waste" plants by FY25 |
| 25% lower CO2 manufacturing & logistics by 2030 | Optimize for EPR & customer requirements | Minimize animal welfare risks for eggs, pork, chicken, dairy 2024-2026 Seafood that protects oceans & nature | Lower water footprint products | Upcycled ingredients |

Healthy Planet, Healthy Business



Better Planet

Climate, Waste, and Water

Carbon Emissions

SCOPE 3

UPSTREAM & DOWNSTREAM SOURCES

Agricultural production
of ingredients

94%

of Conagra's total emissions

Processing of
sold products

Downstream distribution



SCOPE 2

INDIRECT
SOURCES

Emissions
from
purchased
electricity

SCOPE 1

DIRECT SOURCES

Onsite energy
production &
materials
processing

Company-
owned
vehicles

Scope 1 & 2



Scope 1 & 2

Goal to reduce absolute Scope 1 & 2 emissions by 25% of 2020 baseline by 2030 (827,830 MTCO₂e in 2020)



Expected Consumption

Expected Scope 1 & 2 Emissions by 2030 are ~934,730 MTCO₂e, and 941,586 MWh assuming 2% CAGR in abatement model

MWh Needed To Reach Goal

•To reach 50% of the stated goal (25% reduction) by 2028, ~257,500 MWh of RE needed

•To reach 75% of the stated goal (25% reduction) by 2028, ~386,000 MWh of RE needed

•To reduce Scope 1 & 2 by 25% of 2020 % baseline, ~515,000 MWh of RE needed

FY20

Scope 1: 411,867

Scope 2: 415,963

Total: 827,830

FY22

Scope 1: 418,751

Scope 2: 379,032

Total: 797,783

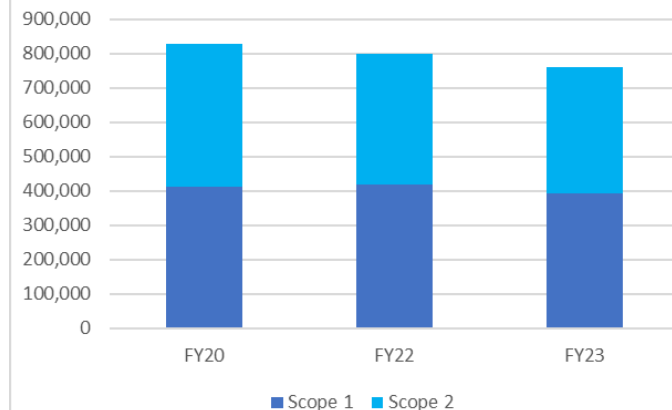
FY23

Scope 1: 392,471

Scope 2: 366,582

Total: 759,052

Greenhouse Gas Emissions (Metric Tons)



Priority Energy Efficiency Measures



Scope 1: Natural Gas

Thermal Optimization

- Insulation (Nat Gas and/or kWh reduction)
- Waste heat recovery (Nat Gas and/or kWh reduction)
- Fuel train tuning for equipment > 1 MMBtu
- Condensate/flash heat recovery

Boiler Combustion Efficiency

- O2 trim and parallel positioning (~2% eff gains)
- Single stage economizer (~4-5% eff gains)
- 2-stage condensing economizer (~7-8% eff gains)

Scope 2: Electricity

NH3 Refrigeration Optimization (tonnage/load)

- Condenser and evaporator fan VFD's
- Optimizing minimum condensing temperature
- Waste heat recovery
- Water pumps VFD's

Air Compressor Optimization (kW/100 scfm)

- Minimize pressure setpoint (~1% eff gain for every 2psi)
- Identify and fix air leaks (\$/scfm leaks)
- Equipment and sequencer control upgrades

Effective Maintenance Practices

Maintenance and operation efforts to drive behavioral changes, e.g., shutdown procedures, low complexity projects, air/steam leak programs, LED light changeovers, water leak audits, <15HP motor VFDs

Scope 3 – Suppliers

The **product carbon footprints** of supplier products become Conagra's **Scope 3 emissions**

Suppliers product's carbon footprint

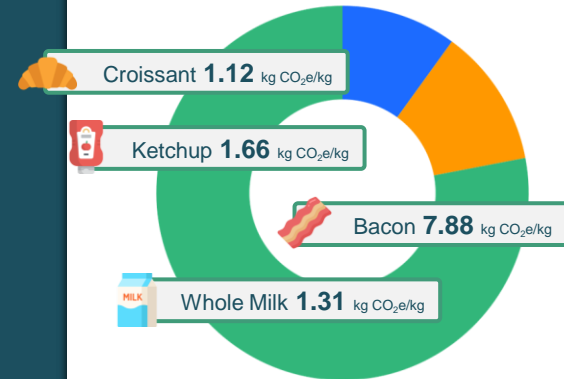
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Amount Purchased by Conagra =

Conagra's Scope 3 emissions

Conagra's Total GHG Footprint

- SCOPE 1
- SCOPE 2
- SCOPE 3





Waste Management and Reduction Targets

End to End Food Waste

Prioritizing **D**istress **D**onate
Disposal (DDD) and
optimizing resources for an
improved value chain.



- **Improved Inventory Management Systems**
- Utilizing predictive analytics to better forecast demand and manage inventory, reducing overproduction, and spoilage.



- **Collaborate with Suppliers and Retailers**
- Working closely to ensure better handling and storage of products, minimizing damage, and spoilage.



- **Optimized Production Processes**
- Eliminate inefficiencies in the production processes of the supply chain



- **Circular Economy Practices**
- Reuse (upcycle) food waste into other processes, materials, and finished goods.

Production Waste Reduction Efforts

FY23 Solid Waste Characterization

85.2% Waste materials
diverted from landfill
& incineration

14.8% Waste sent
to landfills
& incinerated



21 of Conagra's production facilities achieved more than 90% diversion rate from landfill

Achieving Zero Waste



How to Move Towards Zero Waste?

- **Feeding America:** Non-profit organization that coordinates food donations from facilities to local food banks
- **TRUE Zero Waste Certification:** Oakdale and Fayetteville
- **Northstar Partnership:** 3rd party waste broker that can improve diversion rate and find savings opportunities
- **Waste Policy** – standard processes



Water Stewardship

Water Risk Assessment

Manufacturing locations have heightened their water risk in updated WRI aqueduct tool

2022 Citizenship Report

| Risk | Water Use | Locations |
|----------|-----------|-----------|
| Low | 54.8% | 21 |
| Low-Med | 28.9% | 14 |
| Med-High | 1.4% | 5 |
| High | 14.9% | 2 |

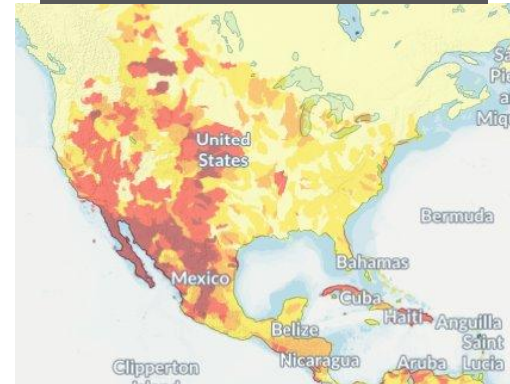
Version 3.0 (Aug 2019)



2023 Citizenship Report

| Risk | Water Use | Locations |
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| Low | 44.2% | 13 |
| Low-Med | 10.8% | 4 |
| Med-High | 11.9% | 10 |
| High | 12.3% | 9 |
| Extremely High | 20.5% | 6 |

Version 4.0 (Aug 2023)



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Version 3.0 (Aug 2019)



High Risk:

Irapuato
Oakdale

Extremely High Risk:

None

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Version 4.0 (Aug 2023)



High Risk:

Beaver Dam Menomonie
Darlen Reno
Hagerstown Rensselaer
Humboldt Waseca
Jackson

Extremely High Risk:

Aurora Irapuato
Denver Maple Grove
Fayetteville Oakdale

Waterplan Overview

In effort to improve our water stewardship, Conagra has partnered with [Waterplan](#) to conduct an updated water-risk assessment for our manufacturing sites. This assessment will enable us to make more informed decisions regarding our water usage and enhance our water stewardship practices.





Projects and Innovations

Irapuato, Mexico



Solar Panel Installations

Total Project Cost: \$128,900
Annual Cost Savings: \$38,000
Electricity Savings Per Year: 253,188 kWh
GHG Savings Per Year (CO₂e): 127 Metric Tons



This is the final of three solar panel installations at the site. The team installed 252 solar panels, with a total capacity of 138 kWh, bringing the total number of solar panels at the site to 736 with a total generation capacity of 361 kWh, within the Mexican regulation limit of 500 kWh. All solar panels are installed in the same area in the facility and connected to one electric substation. The power generated from the panels goes directly to the grid and the site receives a rebate. The project area, formerly a soccer field, now includes solar panels and a multi-use sports area for employees (blue area in photo). The total electricity produced through the solar panels accounts for 7% of the site's total generation.

Microturbine & Heat Capture

Total Project Cost: \$795,970

Annual Cost Savings: \$334,000

Rebate: \$195

GHG Savings Per Year (CO₂e): 1910 Metric Tons

Co-Benefits of Project: CO₂e savings, Fuel Use Reduction, Greening the Economy



The project aimed to upgrade the biogas burner system in the wastewater treatment process to reduce electricity costs and generate hot water. Previously, all biogas was burned without benefit. The Irapuato team decided to install two Biogas Turbine Generators, a heat exchanger, and a biogas treatment system to utilize the biogas more effectively and capture the additional benefits. The turbines use the biogas to generate electric power, which is sent to the grid and the site receives a utility rebate. The heat exchanger uses exhaust gases from the turbines to heat water for the canning process. The biogas treatment system ensures proper fuel conditions, extending turbine life. This project reduces the use of the atmospheric burner by 80% at full capacity, making this site the first to implement such technology. It provides 8% of the site's electricity and reduces natural gas consumption in the canning process by 6%.



Discussion & Questions