

**MEDIA
PLANET**

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Corporate Social Responsibility

YOUR GUIDE TO RESPONSIBLE FOOD





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MEDIA PLANET

CORPORATE SOCIAL RESPONSIBILITY

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BY: JOE SIBILIA, CEO CSRWIRE

Transparency Advances Corporate Social Responsibility

“Corporate Social Responsibility” (CSR) is the most popular U.S. term for the emerging best practice of companies improving the quality of life on the planet by keeping the good of the community in mind when making decisions.

CSR is a form of corporate transparency that has evolved from companies reacting to activists' complaints. It has been called many things, from “business for social responsibility” to “green business” to “triple bottom line business,” but there's one thing its not—Single Bottom Line Capitalism.

There is a profound sense in the marketplace that it is no longer acceptable to only focus on profits, or the single bottom line. Every month, more and more members of the business community are recognizing that behaving ethically in their interactions with employees, stockholders, partners and the public, as well as in their treatment of the environment, is essential to long-term, sustainable success.

Food and beverage companies have been among the leaders and pioneers in the CSR movement. This makes intuitive sense, as people have an innate interest in the quality and wholesomeness of the products they consume. It's natural for individuals to want to be reassured that the or-

ganizations that nourish them today will be able to provide products of equal caliber throughout their lifetimes, and their children's lifetimes.

A strong CSR policy also attracts talent. Executives of all ages are interested in connecting their personal values with those of their employers, and often opt to join organizations they respect. Investors, too, have realized the value of CSR. Certain stock exchanges around the globe

Consumers, especially younger ones who have not yet established brand loyalties, have demonstrated a willingness to switch brands based on a company's policies and impact on the environment. There is a strong consumer demand for products perceived to be healthier and safer. According to a report from “Ethical Food and Beverage, Personal Care and Household Products in the U.S.,” approximately one-fourth of U.S.

trend to better food and beverages, and companies are responding.

Imagine this: You're browsing the organic milk in your local supermarket's cooler when it hits you—everything from the fertilizer that was used to feed the grass that fed the cow that provides your kids with the milk for their cereal came from a solar-powered organic farm. It's happening.

“ A strong CSR policy also attracts talent. Executives of all ages are interested in connecting their personal values with those of their employers, and often opt to join organizations they respect.”

require that companies provide information about their CSR activities before they can be listed. In the wake of the recent financial crisis, it seems logical that investors in the U.S. might start clamoring for similar standards.

adult shoppers frequently buy certified organic food or beverage products. And even in the midst of a recession, one-third of these shoppers are usually willing to pay more for these offerings. The consumer is driving the

CSRWIRE
The Corporate Social Responsibility Newswire

A VERY SPECIAL THANKS TO...



ConAgra Foods is one of North America's leading food makers, with brands in 97 percent of America's households. We make the food you love and the brands you know best. *Banquet, Chef Boyardee, Egg Beaters, Healthy Choice, Hebrew National, Hunt's, Marie Callender's, Orville Redenbacher's, PAM, Peter Pan, Reddi-wip* and more.



The Hershey Company is the largest producer of quality chocolate in North America and a global leader in chocolate and sugar confectionery. Hershey offers such iconic brands as Hershey's, Reese's, Hershey's Kisses, Kit Kat and Hershey's Bliss. Hershey is a leader in the dark and premium chocolate segment, with Hershey's Special Dark and Hershey's Extra Dark.

Food for Thought...and for Fuel:

Today's Corn Industry

The U.S. is the world's largest producer of corn. While about 80 percent of the crop becomes feed for livestock, here and abroad, corn is also used in food products, sweetener, starch, oil and fuel.

Since most corn is produced by family-run businesses, the industry's dedication to sustainable agriculture stems not only from a sense of social responsibility, but also from a desire to maintain the livelihoods of farmers and their families.

"Ninety-five percent of corn is produced by family farmers who live and work on the land," explains Darrin Ihnen, president of the National Corn Growers Association (NCGA). "I myself am a fourth-generation farmer. Two of my children are interested in the business, so they would be the

5th generation. We need to be good stewards of the land because we want to pass it along."

Over the last twenty years, the industry has reduced the amount of land, energy and water used to produce a single bushel of corn.

"We are producing much more corn with less of everything—land, fertilizer, chemicals, fuels, etc.," says Ihnen, particularly important as farmers are harvesting more corn than ever before. NCGA predicts the U.S. will produce 17 billion bushels by 2020.

The elevated demand for corn is due in part to the county's commit-

ment to cleaner-burning auto fuel. Ethanol emits about 50 percent less greenhouse gas than gasoline, according to a recent study by researchers at the University of Nebraska-Lincoln, who attributed the reduction to the improved efficiency of the ethanol production process.

"It also makes sense to use our own fuel rather than purchasing oil from other countries," adds Ihnen, who notes that the ethanol segment has been instrumental to the economic development of rural areas by creating more jobs.

The corn industry is committed

to sustainable agriculture—for the good of its farmers, and for the good of farmers to come. Ihnen puts it simply: "I have a little baby granddaughter. Why would I do anything to hurt her ability to make a living off the land like I have done?"

“The corn industry is committed to sustainable agriculture...”

News in Brief

Sustainable Farming and Why you Care About It

American farmers produce about \$100 billion worth of crops each year, according to the U.S. Environmental Protection Agency. Whether your concern lies with the economy, the environment or people, sustainable agriculture affects you. For a list of nearby stores and restaurants that sell sustainable food, enter your ZIP code at EatWellGuide.org.



America's corn farmers

**Growing more... with less...
for generations**

Between 1987 and 2007, U.S. family farmers decreased land and energy use per pound by 37%. We reduced greenhouse gas emissions per pound by 30% and water use by 27% — at the same time we grew 27% more corn per acre.

Visit www.ncga.com for details.

Educating Today's Youth:

Here and Abroad

A child's home life and income level affect his or her chance of receiving the education necessary for success in the "real world."

Providing our nation's youth with the skill sets and knowledge they'll need later in life, regardless of socio-economic backgrounds, should be the responsibility of citizens, politicians and businesses alike; but additionally, many companies are also taking great strides to improve educational facilities abroad.

Dole, the world's largest producer of fresh fruits and vegetables, supports the Philippines through its partnership in an Adopt-a-School program which allows businesses to adopt schools in need. The Starbucks Foundation funds literacy programs in the U.S., Canada and other communities where Starbucks has stores. The company also created the Starbucks China Education Program, which includes an initiative to train teachers in rural areas in China.

Here in the states, PepsiCo, which has a long history of commitment to educational programs, donated \$1 million last year to the United Negro College Fund (UNCF) to help provide scholarships to students at colleges all over the country.

The Hershey Company's largest shareholder is actually a school for underprivileged children. Founded by Milton Hershey, the company's creator, it is now in its 100th year and has touched the lives of thousands of children who otherwise would not have been able to afford private education.

"The school is completely free, and every child admitted comes from dire poverty, from true social and financial need," says Jody Cook, Hershey's director of product publicity.

Milton and his wife established a trust to fund the school and left their entire fortune to the cause. "For 100 years, without consumers knowing it, every time they have enjoyed a Hershey chocolate, they've been supporting this school," explains Cook.

Educational initiatives at home and abroad are a means for companies to help better the lives of underprivileged children and improve the communities they serve... so go ahead and indulge in a soda pop or chocolate bar—it could be for a good cause.

Sweet Sustainability:

Improving the Lives of Cocoa Farmers

Approximately 70 percent of the world's cocoa comes from West and Central Africa. Improving the livelihoods of the cocoa-farming families in the region is essential to the long-term sustainability of the cocoa sector.

The World Cocoa Foundation (WCF) is committed to promoting economic and social development and environmental stewardship in all 15 cocoa-producing countries around the world, including these regions.

The foundation, established in 2000, boasts nearly 70 member companies from the Americas, Europe, Asia and Africa. WCF actively supports a range of farm-level programs harnessing sustainable agriculture practices to improve the quality of life for the millions of small family farmers growing this unique crop. The Cocoa Livelihoods Program is an example of agriculture programs managed by WCF.

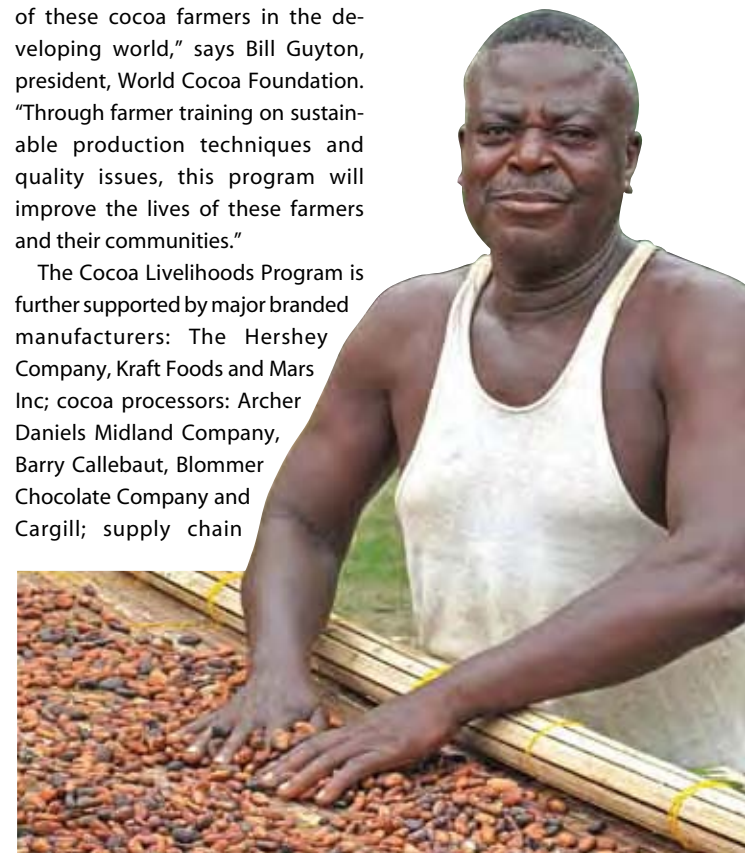
This program was developed through a collaborative partnership between WCF, the Bill & Melinda Gates Foundation and 12 cocoa companies. Between 2009 and 2014, the program will work with approximately 200,000 cocoa-farming households in Cameroon, Côte d'Ivoire, Ghana, Liberia and Nigeria to reach the program's goal of doubling the income of one-third of Africa's cocoa

farmers with small family farms.

"We know from experience that cocoa can play a significant, positive role in increasing the family incomes of these cocoa farmers in the developing world," says Bill Guyton, president, World Cocoa Foundation. "Through farmer training on sustainable production techniques and quality issues, this program will improve the lives of these farmers and their communities."

The Cocoa Livelihoods Program is further supported by major branded manufacturers: The Hershey Company, Kraft Foods and Mars Inc; cocoa processors: Archer Daniels Midland Company, Barry Callebaut, Blommer Chocolate Company and Cargill; supply chain

managers and allied industries: Armajaro, Ecom-Agrocacao, Noble Resources S.A., Olam International Ltd. and Starbucks Coffee Company; as well as the German Ministry for Economic Cooperation and Development (BMZ). Additionally, representatives from each national government are partners and advisors.



The World Cocoa Foundation
Encouraging Sustainable, Responsible Cocoa Growing

For more information, please visit www.worldcocoafoundation.org • wcf@worldcocoa.org



Thank you
for opening
doors for children
in need.

Once upon a time...

a boy from a childhood of hardships and struggle persevered and became a man with a selfless heart, driven by his values and principles. He started the successful Hershey Chocolate Company, fell in love with a wonderful woman and married. Together, he and his wife built a town for his workers and their children... but sadly, they could not have children of their own. To fill the void in their hearts, they established a home and school for children in need... and it grew... and the children flourished.

The man cared so passionately for the school that he devoted virtually his entire fortune to its future...
and the future of the children it served.

That man is Milton Hershey and the school is Milton Hershey School.

Every person who loves chocolate makes a difference in the lives of the children, too. You see, every time you enjoy Hershey's®, you help Milton Hershey School give generations of children a safe, nurturing environment and an excellent education.

Thank you for giving opportunity to children in need.

Learn More at www.thehersheylegacy.com

Panel of Experts



MIKE BROOKHART
Director of Marketing
Snyder's of Hanover



DARRIN IHNEN
President
National Corn Growers Association



JODY COOK
Director Product Publicity
The Hershey Company



GAIL TAVILL
Vice President Sustainable
Development ConAgra Foods

Q: Why is it important for companies to use sustainable packaging?

A: As defined by the Sustainable Packaging Coalition, sustainable packaging is a closed-loop system of packaging that is “sourced responsibly, designed to be safe and effective throughout its life cycle, meets market criteria for performance and cost, is made entirely using renewable energy and, once used, is recycled efficiently to provide a valuable resource for subsequent generations.”

As a good corporate citizen and a steward of our natural and community resources, Snyder's feels that conducting business in a fashion that can create long-term economic value by meeting consumers' needs while taking steps to minimize the impact of our activities on the environment just makes sense.

But sustainability cannot be a stand-alone objective; rather it has to be an integral element of the overall corporate culture. It is not a point-in-time measure but an on-going process that often involves many incremental steps along the way rather than single giant leaps. For Snyder's of Hanover, pursuing sustainability is part of our culture and heritage and, in many ways, always has been.

Q: What can corn be used for, besides food, of course?

A: Our traditional markets have been export and livestock, but our new demand and our new growth is in ethanol. Anything that can be made out of petroleum can be made out of ethanol. We can make plastic, clothing and other fuels besides ethanol. We are also always looking for other areas to use our corn. The reason we can do this is because we are producing a bigger and bigger crop every year, so we are able to allot more for ethanol and other industrial uses. Our strategic plan is to about double our corn crop by the year 2030.

We talk about alternative energy today, but the only alternative to gasoline is ethanol. The opponents have used the food-versus-fuel argument—that we are raising the price of food because we are using corn for ethanol. But what really raised food prices is the cost of energy, which affects all the other expenses—labor, packaging, transportation...the whole process. The new generation of ethanol plants, which most of the ethanol industry uses, emit less greenhouse gases than gasoline.

Q: Why is Corporate Social Responsibility so important to The Hershey Company?

A: CSR has really been a part of our DNA ever since Milton Hershey founded the company. Our founder wasn't just an extraordinary entrepreneur, but also an extraordinary philanthropist.

When he started in Hershey, PA, the dairy land was obviously very important to him. That's why he put his factory here. When you're making milk chocolate, you need dairy land. He basically built this town for the business. He built homes for his employees, even a firehouse. During the Great Depression, he employed people from all around the area to build a hotel. There are wonderful stories about people approaching him to say, “I can sell you a machine that will do the work of many men,” but he'd tell them he wanted to employ people.

One of his biggest legacies, and the legacy that will go into perpetuity along with his iconic chocolate, is The Milton Hershey School, which is celebrating its 100th anniversary. It's completely free, and every kid who attends comes from dire poverty.

Hershey is committed to CSR initiatives, and kids in need top that list because it was our founder's vision and mission.

Q: What efforts has your company made to reduce its impact on the environment?

A: ConAgra Foods has had a Sustainable Development award program and conference in place since 1992. This program was initiated to recognize and share best practices internally, and has gotten tremendously more important over the years, considering the heightened focus on CSR in the world around us. We recognize efforts in water conservation, energy efficiency, the reduction of solid waste and recycling, packaging innovation and lastly, how those things are marketed.

We were the first food company in North America to use post-consumer recycled plastic for our frozen meal trays. This not only won our Sustainable Packaging, Product, and Process Innovation award, it also received awards from several leading external sources in the packaging industry.

On the energy side, the project that won was in a cannery in Milton, PA. They implemented a ceramic coating on their cooker shells, saving energy and money and making for a safer working environment, really nailing the “triple bottom line.”

A lot of these sustainability efforts were started way before my position existed. They've always been part of our culture, which is thanks to our supportive leadership...it's just now we are starting to talk about them.



A Packaged Deal: Our Role in Sustainable Packaging

In a recent study of large retail and manufacturing companies released by Tompkins' Supply Chain Consortium, 65 percent of companies polled had a sustainable packaging policy in place, and 28 percent were working to develop one—as they should be!

Sustainable packaging is an integral component of businesses' earth-friendly undertakings.

"Corporate responsibility means conducting our business in a fashion that creates long-term economic value while taking responsibility for the impact of our activities...It includes our commitment to sustain-

ability, where our goal is to maximize the utilization of products and practices which have a reduced negative effect on the environment," explains Mike Brookhart, Snyder's of Hanover's director of marketing.

By its broadest definition, sustainable packaging "can be put back into another useful life once it has

reached the end of its first intended use," says Kevin Cronin, CEO, Nicos Polymers Group, which specializes in post-industrial plastic recycling. The term often also refers to packaging that was manufactured using energy-efficient processes.

"We hate to see anything go to waste, down to the last grain

of salt," explains Brookhart; but consumers also have a role to play. Start by considering how much packaging a product uses; if it seems excessive, opt for a competitor's. Look for recycling logos, such as the three green arrows arranged triangularly; but remember, even materials lacking the symbol may be recyclable.

"When we talk about packaging itself, it is inherently sustainable in that it can be reused," says Cronin. "The challenge is for companies to look at their packaging and determine whether or not there would be

a workable way to get those products back from their consumers and have them recycled."

If you expect businesses to do their part, you have to do yours. All of a company's efforts are for naught if you throw its recyclable wrapper in the trash.



This One's for the Kids: CSR and America's Children

"The kids are the heart of the family," points out Aileen Zerrudo, director of communications for CSR at The Clorox Company. Small wonder, then, that the CSR agendas of so many family-focused brands emphasize the welfare of America's children.

A few years ago, Hidden Valley funded research showing kids ate more vegetables when they were garnished with a moderate amount of ranch dressing. Around the same time, the government asked schools to improve the nutritional value of

their lunch offerings but provided no additional funding to do so.

"Armed with that knowledge, we created a grant program to offer financial support to help elementary schools provide kids more access to fresh fruits and vegetables" says

Priscilla Tuan, marketing manager, Hidden Valley.

Cookies for Kids' Cancer, which raises funds for pediatric cancer research through local bake sales, was started by a mom whose son was diagnosed with the disease. "Glad

consumers love to share food they make with others because it's their way of sharing their love. When we learned about Cookies for Kids' Cancer, we had to help," explains Betsy Cantlin, brand manager at Glad, which is matching funds raised up to \$100,000 this November and December.

Feeding America's Kids Cafés provide children in need with snacks and meals through community locations. In 2007, Uncle Ben's partnered with

the organization to establish Uncle Ben's-sponsored Kids Cafés. "In addition to our \$1 million donation, we're providing more than \$2 million in associate and marketing support and more than 22 million servings of food to date," says Vincent Howell, president, Mars Food North America. This holiday season, why not take a cue from corporate America and do something to support children in need?

Sharing the Responsibility.



snydersofhanover.com



Our new Pretzel Variety Sacks are the first 100% COMPOSTABLE outer sack package in the salted snack aisle made from 100% RENEWABLE corn starch based plastic.

Great Taste, Better for You, Good for the Environment. Snyder's of Hanover.

Share the Best.™





SO, DID YOU FIND EVERYTHING YOU WERE LOOKING FOR?

At ConAgra Foods, we know that it takes a lot to make it onto your shopping list—that every item you place in your grocery cart reflects your trust and confidence in that brand. And we want to earn that confidence. That's why we pay so much attention to quality, in our ingredients and in our preparation. It's why we use environmentally friendly packaging and sustainable practices. And why we give back to the communities where our employees live and work. For us, it's not enough to make good food. We want to make food you can feel good about.

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Foods®
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