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## **Kraft Foods Expands Sustainability Goals to Build on Success**

- **All European Coffee Brands Committed to Sustainably Source 100% of Coffee**
- **World's Largest Buyer of Fairtrade & Rainforest Alliance Certified™ Cocoa**
- **Adds New Goals for Agriculture and Transportation**
- **Now Includes Cadbury and LU Businesses**

**NORTHFIELD, Ill. – May 12, 2011** – Kraft Foods (NYSE: KFT) today announced expanded sustainability goals and highlighted progress against its focus areas. The company's new goals – now including the Cadbury and LU businesses acquired since 2007 – build upon previous success around energy, carbon dioxide, water, waste and packaging reductions.

For the 2010-2015 timeframe, Kraft Foods has added transportation and agricultural commodities to what it will be measuring. Significantly, all of the company's European coffee brands have committed to sustainably source 100% of their coffee by 2015.

"We're building upon our successes to date," said Steve Yucknut, Vice President, Sustainability. "We're learning, improving and looking beyond our four walls for opportunities. Our new goals will help us do more. For example, our increased focus on sustainable agriculture will further boost our scale to help accelerate long-range development in more communities and for more commodities than ever before."

### **New sustainability goals raise the bar**

From a 2010 base, by the end of 2015 Kraft Foods plans to:<sup>1</sup>

- Increase sustainable sourcing<sup>2</sup> of agricultural commodities by 25 percent
- Reduce energy use in manufacturing plants by 15 percent
- Reduce energy-related CO2 emissions in manufacturing plants by 15 percent
- Reduce water consumption in manufacturing plants by 15 percent
- Reduce waste at manufacturing plants by 15 percent
- Eliminate 50,000 metric tons (100 million lbs.) of packaging material
- Reduce 80 million km (50 million miles) from transportation network

As one of the world's largest buyers of cocoa, coffee and cashews, Kraft Foods can have a positive influence on the long-term future of these commodities. The company will meet its agricultural goal through third-party certification groups like Fairtrade, Rainforest Alliance and 4C. In different ways, these certifications address the three pillars of sustainability — social, economic and environmental — by setting standards farmers must meet, helping them command a premium for their crops.

"Our commitment in coffee is a great example of how we're making sustainability an integral part of how we do business," says Hubert Weber, President, Coffee, Kraft Foods Europe. "Our consumers and customers care about the benefits that certification delivers. That's good for business. As a result, we're making a positive impact across our supply chain – from crop to cup."

In 2010, the company purchased nearly 50,000 metric tons of Rainforest Alliance Certified™ coffee, more than half of which went to our EU coffee business; approximately 11,000 metric tons of Rainforest Alliance Certified™ cocoa; roughly 19,000 metric tons of Fairtrade cocoa; and about 24,000 metric tons of Fairtrade sugar.

### **Significant progress since 2005**

Kraft Foods already has made significant progress reducing energy, CO2 emissions, water, waste, packaging and transportation across its global operations. Specifically, from 2005 through 2010:<sup>3</sup>

- Energy use is down 16 percent
- CO2 emissions are down 18 percent
- Incoming water is down 30 percent
- Net waste is down 42 percent
- Packaging is down 100,000 metric tons (200 million lbs)
- 97 million km/60 million miles eliminated from our global transportation network

To learn more about Kraft Foods' agricultural sustainability efforts around the world – including video from a visit to Fairtrade cocoa-growing communities in Ghana, an online fact sheet of success stories and downloadable high-resolution photos – please visit [http://www.kraftfoodscompany.com/MediaCenter/country-press-releases/us/2011/Pages/multi\\_media\\_05112011.aspx](http://www.kraftfoodscompany.com/MediaCenter/country-press-releases/us/2011/Pages/multi_media_05112011.aspx). And watch for the company's updated Responsibility Report, which will be posted online by the end of May.

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**About Kraft Foods**

Northfield, Ill.-based Kraft Foods Inc. (NYSE: KFT) is a global snacks powerhouse with an unrivaled portfolio of brands people love. Proudly marketing delicious biscuits, confectionery, beverages, cheese, grocery products and convenient meals in approximately 170 countries, Kraft Foods had 2010 revenue of \$49.2 billion, more than half of which was earned outside North America. Eleven of the company's iconic brands – including *Cadbury*, *Jacobs*, *Kraft*, *LU*, *Maxwell House*, *Milka*, *Nabisco*, *Oreo*, *Oscar Mayer*, *Philadelphia* and *Trident* -- generate revenue of more than \$1 billion annually, and 40 have been loved for more than a century. A leader in innovation, marketing, health & wellness and sustainability, Kraft Foods is a member of the Dow Jones Industrial Average, Standard & Poor's 500, Dow Jones Sustainability Index and Ethibel Sustainability Index. For more information, visit [www.kraftfoodscompany.com](http://www.kraftfoodscompany.com) and [www.facebook.com/kraftfoodscorporate](http://www.facebook.com/kraftfoodscorporate).

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<sup>1</sup> As measured against total production.

<sup>2</sup> Sustainably sourced is defined as third-party certification or verification.

<sup>3</sup> As measured against total production.