



December 14, 2011

## Kraft Foods Maps its Total Environmental Footprint

- **First-Of-Its-Kind Project Provides Initial Details Of Company's Effects On Climate, Land & Water;**
- **Validates Focus On Sustainable Agriculture**

NORTHFIELD, Ill. - Dec. 14, 2011 - Kraft Foods today shared results of a pioneering survey that measured its impact on climate change, land and water use. The multi-year footprinting project -- in partnership with Quantis Inc. and reviewed and analyzed by World Wildlife Fund and notable academics at the University of Minnesota's Institute on the Environment - goes far beyond the company's walls.

"Having the 'big picture' of our total footprint -- from farm to fork -- validates the focus of our sustainability efforts, particularly advancing sustainable agriculture," said Roger Zellner, Sustainability Director for Research, Development & Quality. "Experts say climate change, land and water use may be among the biggest challenges in feeding a world of 9 billion people in 2050. As we continue our sustainability journey, we now have more insight into where we can make the greatest difference."

"This study shows that in order to make meaningful change and conserve nature's valuable resources, companies need to work with their suppliers to reduce the impact of producing raw materials," said Dave McLaughlin, VP of Agriculture at World Wildlife Fund. "This means forging long term partnerships based on shared objectives, creating a transformational supply chain, a key strategy of WWF's market transformation initiative."

The bulk of Kraft Foods' environmental footprint originates on the farms that grow ingredients for the company's products. While the company does not own farms, the survey supports the work of its sustainable agriculture efforts on key commodities to improve crop yields, reduce environmental impacts and improve the lives of many of the farm workers and their families. In addition, Kraft Foods continues to build upon previous success around energy, carbon dioxide, water, waste and packaging reductions.

### Expanded Sustainability Goals

This May, Kraft Foods announced expanded sustainability goals and highlighted progress against its six sustainability focus areas. The company's new goals now include the *Cadbury* and *LU* businesses acquired since 2007. And Kraft Foods has added transportation and agricultural commodities to what it will be measuring.

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 CO<sub>2</sub> 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 its transportation network

### Progress Against 2005-2010 Goals

Kraft Foods has made significant progress reducing energy, CO<sub>2</sub> emissions, water, waste, packaging and transportation across its global operations<sup>3</sup>. From 2005 through 2010:

- Energy use is down 16 percent
- CO<sub>2</sub> 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)
- 96 million km (60 million road miles) removed from its transportation/distribution network

### Footprinting Insights

Interesting insights from Kraft Foods' footprinting work include:

- More than 90 percent of the carbon footprint is outside its plants and offices, and nearly 60 percent is from farm commodities.
- About 12 percent of the carbon footprint is from transportation and distribution of products from stores to consumers' homes.
- About 5 percent of the carbon footprint is from consumers, mostly in food preparation.
- More than 80 percent of the land impact is from agriculture. In comparison, the impact from manufacturing facilities and offices is negligible.
- About 70 percent of the water footprint is from growing raw materials (including agricultural commodities used to make food products), while only 10 percent comes from manufacturing facilities/offices.
- Another 10 percent comes from consumer use, mostly from food preparation.

1 Measured against total production.

2 "Sustainably sourced" defined as third-party certification or verification.

3 Data measured against total production with a 2005 baseline. Note: data do not include the Cadbury and LU businesses acquired since 2007.

As a food company, Kraft Foods relies on the ability of the earth to produce the raw materials used every day to make its products. Conducting business in a way that respects the intersection of environmental, social and economic responsibility is the right thing to do and it makes good business sense. With this approach, Kraft Foods is making a delicious difference and building a better world. For more details on the company's sustainability focus and progress, please visit

[www.kraftfoodscompany.com](http://www.kraftfoodscompany.com)

Richard Buino

847-646-4538

[news@kraftfoods.com](mailto:news@kraftfoods.com)