

Annie's®

SUSTAINABILITY REPORT FY2014

Cultivating Good

BUILDING SUPPLY CHAIN RESILIENCE

INGREDIENTS



42 million

pounds of organic ingredients purchased. We continue to invest in organic.

📈 19% increase over FY2013

FARMERS



66%

of our cacao comes from 3rd-party certified farming communities who ensure fair labor and environmental responsibility. We dive deep on cacao and other key crops to support farmers and their communities.

This is a new program

CARBON FOOTPRINT



11,014 tCO₂e

assessed from energy use, including Annie's® facilities, business travel, employee commute, warehouse, repackers, and Tier 1 suppliers.

📈 3% increase over FY2013

PACKAGING



More than 90%

of our packaging (by weight) is recyclable. And we've joined How2Recycle to do even more.

Same as FY2013

MANUFACTURING



82%

of our primary manufacturing suppliers, on average, provided data to us on their energy, water and waste, demonstrating their commitment to sustainable business practices.

📈 Up from 76% in FY2013

[Learn More](#)

WALKING THE TALK

OFFICE OPERATIONS



76%

of office waste diverted from landfill. We're working toward zero waste by reducing our total waste, mostly by decreasing paper consumption at the office.

📈 3% decrease in total waste over FY2013

📉 Diversion rate down from 78% in FY2013

EMPLOYEE COMMUTE



16%

of employees use our green commuting program.

📈 Up from 13% participation in FY2013

SUSTAINABILITY EDUCATION



4 times a year

we offer trainings and workshops on topics like climate change, waste management and green commuting.

Same as FY2013

[Learn More](#)

INSPIRING A BIGGER IMPACT

INDUSTRY PARTNERS



296 acres

of degraded land will be reforested with Annie's® support by partner NativeEnergy via the Oka Trees of Hope project.

CHARITABLE CONTRIBUTIONS



\$459k

donated this year to organizations supporting a sustainable food system. \$1.3 million donated in 3 years.

📈 24% increase over FY2013

VOLUNTEERING



86%

of employees volunteered with nonprofit groups, averaging 13 hours per person this year.

📈 Hours per employee increased 144% over FY2013

[Learn More](#)



For more than 25 years, Annie's® has been doing business differently and with purpose. Thus, as we've grown, our sustainability programs have evolved to increasingly focus on where we can make the biggest difference — through the products that we make. Ultimately our practices contribute to a more sustainable food system.

This report highlights our sustainability work in the supply chain, at our facilities and in the greater community. We believe that transparency and accountability are critical to the way we do business, and we invite feedback from you along the way. Additional details can be found on our website (annies.com).

We recognize that sustainability is a journey and we're always striving to improve, but we are pleased to share our results to date and are excited for future opportunities. As we continue to grow our business, we want to be an accelerator for positive change, demonstrating how a company can "do well by doing good."



BUILDING SUPPLY CHAIN RESILIENCE

Where can we make the biggest difference? These are the sustainability programs we prioritize. As a company deeply committed to organic principles, it is natural for us to extend this philosophy to other areas of our supply chain. We look for opportunities to support a more circular economy — where regeneration is the goal, driving a shift toward renewable energy, eliminating toxic chemicals and avoiding waste throughout our supply chain. Here, we share a few ways we're moving in this direction.

Organic Ingredients

We support organic farming, which is well-positioned to serve as a model in mainstream sustainability conversations. Organic practices promote resource recycling, ecological balance and biodiversity. They also focus on feeding the soil system — not simply the plant.

Farmers

While organic is the foundation of our sustainability efforts, we dive deeper on key ingredients like wheat, dairy, sugarcane and cacao. For each of these, we've developed programs that focus on supporting farmers and their communities.

Packaging

As we offer more products, we're developing better systems to evaluate our packaging choices, looking at recyclable content, amount of material and source origins. Furthermore, we want to better communicate with consumers about recycling our packaging materials, which is why we joined How2Recycle (www.how2recycle.info), a voluntary effort to standardize packaging recyclability through a consistent labeling system.

Manufacturing

We continue to ensure that sustainability is baked into the businesses of our manufacturing partners. This year, we used two different environmental assessments: the first collected data on energy, water and waste practices; the second is a scorecard that assessed GHG emissions, energy, water use, priority chemicals, waste and organizational commitment. We evaluate performance using these assessments and provide an annual award to the top supplier.

WALKING THE TALK

We strive to create a workplace that reflects our values. This, we believe, is an essential part of being a successful mission-driven company — one that is profitable and committed to fulfilling our mission to cultivate a healthier and happier world by spreading goodness through nourishing foods, honest words, and conduct that is considerate and forever kind to the planet. We integrate our values through every decision we make to ensure that we walk the talk at home.

Office Operations

In our Berkeley, California office, we continually work to improve materials recovery and reduce total waste. This year we made double-sided printing mandatory, which helped us reduce our paper consumption, and we hosted events for employees highlighting "what goes where" — recycling, landfill or compost.

Employee Commute Program

Annie's® employees get a modest subsidy for using public transit, carpools, biking or walking to get to work. Not only does this help us manage our bunny footprint, but employees who participate say they enjoy their commutes more! Annie's® also helps employees purchase hybrids, electric vehicles and bicycles.

Sustainability Education

As a mission-driven company, we know that sustainability education is important to our employees and our business. We're proud that about a third of the Berkeley office attends our events each quarter. The most fun event might have been with yerdle (www.yerdle.com), an app to help you "give away what you don't need and get something you do." Through the window of their ice cream truck, the yerdle team collected employees' items for sharing while passing out organic ice cream to say thanks.

INSPIRING A BIGGER IMPACT

We believe it's important to extend our reach in the industry, to both learn from and collaborate with others to achieve positive change in the food system. We also give back to organizations that are making a difference, and we encourage our employees to get involved in the community as well.

Volunteering

We give our employees company time to volunteer in nonprofit organizations that are most meaningful to them, living the values that drive our mission. In this past year, 86% of our employees gave back to their community through volunteering.

Charitable Contributions

We support programs that are helping to create a more sustainable food system. We do this through product donations and direct financial contributions. In the past three years, we have donated \$1.3 million. Three of our long-standing programs — Grants for Gardens, Agricultural Scholarships and FoodCorps — help us extend our reach into schools and universities across the United States.

Industry Partners

Annie's® is committed to supporting a momentous shift toward a more sustainable food system at an industry level. Our key focus areas include organic integrity and climate change action. We get involved in several different ways, such as employee participation, civic engagement and financial support. Organizations that we support include the Organic Trade Association, The Organic Center, the Sustainable Food Trade Association, the Sustainable Food Lab, *NativeEnergy*, and BICEP, among others. Through *NativeEnergy*, we helped fund the Oka Trees of Hope project, which reforests degraded land, enhancing biodiversity, improving air and water quality, stemming erosion and adding net carbon storage, helping to slow carbon emissions (<http://www.nativeenergy.com/oka.html>).

FOR MORE DETAILS: ANNIES.COM/REPORT2014

