

Annie's

SUSTAINABILITY REPORT FY2015

growing goodness

BUILDING SUPPLY CHAIN RESILIENCE



INGREDIENTS

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

📈 5% increase over FY2014*



FARMERS

79%
of our cacao comes from 3rd-party certified farmers who ensure fair labor and environmental responsibility.

📈 Up from 66% in FY2014



PACKAGING

>90%
of our packaging (by weight) is recyclable, and we're reducing packaging, too!

Same as FY2014



CARBON FOOTPRINT

12,858 tCO₂e
assessed from supplier and Annie's operations. We acquired a facility and significantly increased our production this year.

📈 17% increase over FY2014*



MANUFACTURING

79%
of our primary manufacturing suppliers share their data with us, demonstrating their environmental commitment.

📉 Down from 82% in FY2014

INSPIRING A BIGGER IMPACT



PARTNERSHIPS

Nearly 400
acres and more than 80,000 trees planted to date as part of the Oka Trees of Hope project, which Annie's supports via partner NativeEnergy.

2nd year supporting the program



VOLUNTEERING

60%
of headquarters** employees volunteered with nonprofit groups, averaging 8 hours per person.

📉 Down from 86% participation in FY2014.



CHARITABLE CONTRIBUTIONS

\$407k
contributed in cash this year to organizations supporting a sustainable food system.

📈 15% increase in financial contributions (excluding product) over FY2014


WALKING THE TALK



FACILITY OPERATIONS

74%
of waste diverted from landfill. We're working toward zero waste by recycling in our facilities.

📉 Down from 76% in FY2014



EMPLOYEE COMMUTE

34%
of headquarters** employees carpool, take transit, bike, or walk to work.

📈 Up from 16% participation in FY2014



SUSTAINABILITY BENEFITS

71%
of our headquarters** employees take advantage of our green car, bike, and home programs.

1st year tracking the program

*Our FY2015 was 13 months, so we took the monthly average and applied it over 12 months to compare with last year.

**Note that we are divesting our manufacturing facility, so we are excluding its employees from our current and historical baseline.

When Annie Withey co-founded Annie's in 1989, she wanted to show by example that a successful business could also be socially responsible. Today, as part of General Mills, Annie's founding vision continues to guide the company. We believe it's critical to be transparent about the progress we're making on our sustainability journey. We know we still have more to do, but we're excited to show you just how far we've come. We invite you to contact us at Sustainability@Annies.com with your feedback.

BUILDING SUPPLY CHAIN RESILIENCE

Our biggest opportunity to make an impact is through the products we make, from mac and cheese to crackers, cookies, and most recently, soup. By extending our mission and values from farm to fork, we can help build a more sustainable and regenerative food system by making high-quality food that people love. We support ecologically sound sourcing, packaging, and processing in order to protect people and our planet.

Organic Ingredients

Annie's is deeply committed to organic principles and circular agriculture that resembles nature. Organic means non-GMO and grown without toxic, persistent chemicals. General Mills respects and supports Annie's ingredient philosophy, including our commitment to source strictly non-GMO.

Packaging

As our business grows, we're developing better systems to evaluate our packaging choices. We gather packaging data for 95% of the cases we sell, so we can measure our progress on efficiency, recyclability, and other attributes. We also educate consumers on recycling our packaging with the How2Recycle labeling system.

Farmers

Beyond organic, Annie's uses third-party standards to ensure fair labor, environmental stewardship, animal welfare, and strong communities. Transparency is built into our business model, and the more we know about the origins of our ingredients, the better positioned we are to respond to both risks and opportunities.

Manufacturing

Our pledge to source only from people and places we trust includes our manufacturers. We collect their energy, water, and waste data and encourage reductions in these areas. We also require ethical treatment of employees and perform on-site inspections to ensure compliance.

INSPIRING A BIGGER IMPACT

Annie's is committed to a momentous shift in the food industry. We do this through supporting advocacy, collaborating with peers, and encouraging our employees to volunteer. Through our acquisition by General Mills, we believe we can do even more to further our mission.

Partnerships

We believe it's important to amplify our voice in order to make big changes; we know we can't do it alone. To support our key focus areas of organic integrity and climate change, we partner with like-minded organizations such as The Organic Trade Association, NativeEnergy, Business for Innovative Climate & Energy Policy (BICEP), and the Sustainable Food Trade Association (SFTA). In fact, this is our fourth straight year reporting to the SFTA on over 100 different sustainability metrics.

Volunteering

We offer employees paid time to volunteer at organizations that matter to them, living the values that drive our mission. In FY2015, 60% of headquarters employees volunteered a total of 898 hours, averaging 8 hours per employee.* They gave back to more than 30 organizations, including FoodCorps and City Slicker Farms.

Charitable Contributions

Since 2012, we have donated over \$2.2 million (including cash and product) to help create a more sustainable food system. Three of our long-standing commitments — Grants for Gardens, Sustainable Agricultural Scholarships, and FoodCorps — help kids learn about agriculture and real food while improving the natural world.

WALKING THE TALK

Annie's strives to be a great place for employees to work and grow. As we expand, we consider it more important than ever to integrate our values into our culture. It's an essential part of 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 check every decision against our values to ensure that we walk the talk.

Operations

We strive for zero waste at our facilities. We have many programs that help us recycle or compost 74% of our waste and reduce our "Bunny Footprint," like sending our electronics to a local nonprofit for repair and reuse.

Sustainability Benefits

As an environmentally conscious business, we're proud to offer our employees a benefits package that encourages them to switch to more fuel-efficient vehicles, purchase a bike, and make green home improvements. In the past year, 71% of headquarters employees participated.*

*Note that we are divesting our manufacturing facility, so we are excluding its employees from our current and historical baseline.



LEARN MORE ABOUT HOW WE'RE GROWING GOODNESS

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