



## **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*

Kraft Foods has 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.

This move will bring coffees from certified and verified sources to coffee brands including Carte Noire, Maxwell House and Mellow Bird in the UK. The commitment builds on the continued success of the Kenco coffee brand, which has been recognised with a **Rainforest Alliance's 'Sustainable Standard Setter' Award**. Kenco's long-standing commitment to certification means it is the first large coffee brand to source 100 percent of its coffee beans from Rainforest Alliance Certified™ farms.

### **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 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 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 programmes like Fairtrade, Rainforest Alliance Certified™ and 4C. In different ways, these certifications address the three pillars of sustainability — social, economic and environmental — by setting standards farmers must meet that can help them negotiate a better price 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.

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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

\*Kraft Data.

Sustainably sourced cocoa will also contribute significantly to global sustainable commodities targets. The following brands have led the industry in bringing sustainably sourced cocoa to a mainstream market:

- Cadbury Dairy Milk's Fairtrade certification, which has already resulted in £2.8million of Fairtrade premiums paid to farmers in Ghana. The brand grew by 12 percent in 2010 (MAT week ending 25.12.10)
- Green & Black's which, from January 2011 in the UK and late 2011 globally, will be entirely Fairtrade certified

### Significant progress since 2005

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

- 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)
- 16 million km (10 million road miles) have been removed from its 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.

### About Kraft Foods

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 2011 revenue of \$54.4 billion. Twelve of the company's iconic brands – *Cadbury*, *Jacobs*, *Kraft*, *LU*, *Maxwell House*, *Milka*, *Nabisco*, *Oreo*, *Oscar Mayer*, *Philadelphia*, *Tang* and *Trident* – generate revenue of more than \$1 billion annually. On Aug. 4, 2011, Kraft Foods announced plans to divide and create two independent public companies: a high-growth global snacks business and a high-margin North American grocery business. The transaction is expected to be completed before the end of 2012. 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. Visit [www.kraftfoodscompany.com](http://www.kraftfoodscompany.com) and [www.facebook.com/kraftfoodscorporate](http://www.facebook.com/kraftfoodscorporate).

- make today delicious -



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

Founded in 1987, the Rainforest Alliance is an independent, non-profit international organisation that works to conserve biodiversity and ensure sustainable livelihoods. The Rainforest Alliance Certified™ programme assures consumers that the products they are buying come from farms and forestlands that meet demanding standards for environmental, economic and social improvements.

For more information visit [www.rainforest-alliance.org](http://www.rainforest-alliance.org)

The Rainforest Alliance Certified™ seal appears on products that comply with the standards of the Sustainable Agriculture Network (a group of NGOs of which the Rainforest Alliance serves as the Secretariat) and should not be confused with any other certification mark or product label. Care should be taken when referring to labels generically, as terms such as ethical, fair, or sustainable have specific meanings within the scope of each label's approach to improving the social and environmental impact of business and commerce.

[Fairtrade Labelling Organisations International](#)(FLO) is the international organisation responsible for setting and maintaining the Fairtrade standards that apply to producers and trading relationships. FLO is owned jointly by [21 national labelling initiatives](#) covering 22 countries and [producer networks](#) representing certified producer organisations across Asia, Africa, Latin America and the Caribbean. Whilst FLO sets the standards, and works with producers to help them meet them, a separate international certification company ([FLO-Cert](#)) regularly inspects and certifies producers against these standards.

All producers, processors and exporters in the producer country are certified by FLO-CERT. The products of importers and companies in the supply chain outside of the producer country are certified either by FLO-CERT or by the local Labelling Initiative. The Fairtrade Foundation is responsible for certifying Fairtrade products in the UK. See [product certification](#) for more information