Environmental, Social, & Governance (ESG)

At TreeHouse Foods, we are committed to conducting our business in a safe and socially responsible manner while conserving energy and water, minimizing waste and emissions, promoting the conservation of natural resources, and conducting our business activities effectively and ethically.

Looking back, the 2019 year was a successful one in which TreeHouse showed improvement in every environmental category despite challenges with decreasing volume and some plant closures. In addition, sustainable packaging and ingredient disclosure working groups were created to improve performance in these areas and better respond to customer inquiries. We also made meaningful progress in the Social area by introducing our new Purpose-Vision-Mission and launching The TreeHouse Way defining our values. This was partnered with the launch of our new Code of Ethics to ensure it incorporated our new values. Our commitment to operational excellence and focus on our cultural and behavioral expectations has already begun to bear fruit as demonstrated by our improved customer service levels. These core tenets will continue to drive our transformation and drive shareholder value. This work in the Social areas will continue in 2020 through the building of a new Talent Management function which will allow us to gain greater focus in all areas of talent including assessment, development and succession.

The year 2020 will prove to be a pivotal one for TreeHouse as we shift from a more traditional sustainability-centric approach to one that is broader and keeps with the internal and external expectations for ESG-related performance, reporting, and disclosure. To this end, we recently created a cross-functional ESG steering committee with representatives of Senior Leadership, Supply Chain, Human Resources, Environmental Health Safety, and Investor Relations. This integrated group will ensure that we identify, deliver on, and sustain our ESG priorities and communicate our progress to customers, shareholders, and the communities in which we operate.

ENVIRONMENTAL SUSTAINABILITY PERFORMANCE 2016-2019

Environmental Sustainability Target	Results	Progress (2019 Vs Goal (2016))
Reduce Energy Intensity (kWh/lb) 9% by end of 2020	●	With current and planned projects, TreeHouse will end 2020 with an estimated improvement of at least a 5-6% energy intensity reduction.
Reduce Water Intensity (gal/lb) 6% by end of 2020	○	With current and planned projects, TreeHouse will meet or exceed our 6% water intensity reduction target by the end of 2020.
Increase landfill diversion and get 75% of plants to Zero-Waste-to-Landfill (ZWTL) by end of 2020	●	Despite challenges in the recycling market, TreeHouse will finish 2020 with at least 50% of our sites having achieved zero waste to landfill.

● We have demonstrated continuous improvement since 2016 and are working to meet the stated goal.

○ We have met or exceeded our goal.

SOCIAL

- Introduced new Purpose – Vision – Mission and rolled out The TreeHouse Way, our new set of values
- Revised Code of Ethics to incorporate The TreeHouse Way
- Drove a greater than 40% reduction in safety incidents
- Established Supplier Social Responsibility Policy for supplier employment practices, business practices, and environmental stewardship/sustainability practices
- Held quarterly CEO-led town hall meetings
- Launched an enhanced internal employee communication platform
- Began instituting a systematic employee engagement survey process

GOVERNANCE

- Added new Board members: Steve Oakland (2018), Matthew Rubel (2018), Jean Spence (2018), Jason Tyler (2019), and proposed a new Board member, Mark Hunter, for election in 2020
- Enhanced Board evaluation and development process
- Enhanced Board refreshment process
- Encouraged Board members to be involved in continuing education on an ongoing basis
- Engaged an outside consultant to advise the Board on best practices and governance trends
- Enhanced Enterprise Risk Management engagement and reporting at each Board meeting