



# TreeHouse

## 2023 Sustainable Accounting Standards Board (SASB) Disclosure



# SASB Processed Foods Disclosure

In an effort to provide our stakeholders with relevant sustainability-related information, TreeHouse Foods is reporting metrics in accordance with the Processed Foods ("PF") industry framework from SASB. This information pertains to the issues considered by SASB to be material in the context of sustainability within our industry, and therefore impact short-, medium-, and long-term enterprise value. Our responses include the data most closely aligned with each metric.

For additional information on our ESG efforts, including historical metrics, please refer to our [latest ESG report](#).

Please note that the below data are specific to TreeHouse Foods' operations in 2022, which includes data from divested facilities up to date of divestiture (October 3, 2022).

## Accounting Metrics

Topic	Accounting Metric	SASB Code	Category	FY 2022 Performance
Energy Management	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable	FB-PF-130a.1	Quantitative	1) 4,609,252 gigajoules ("GJ") 2) 28% 3) 0%
Water Management	(1) Total water withdrawn, (2) total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress	FB-PF-140a.1	Quantitative	(1) 5,816 thousand cubic meters (1000 m <sup>3</sup> ); 10% withdrawn from areas of High or Extremely High Baseline Water Stress. <sup>1</sup> This percentage decreased from last year due to a 2021 divestiture. (2) TreeHouse Foods does not disclose total water consumed.
Water Management	Number of incidents of non-compliance associated with water quantity and/or quality permits, standards, and regulations	FB-PF-140a.2	Quantitative	Zero (0) incidents of water-related non-compliance.

<sup>1</sup>The World Resources Institute ("WRI") Water Risk Index Report was performed on June 30, 2022.

## Accounting Metrics | continued

Topic	Accounting Metric	SASB Code	Category	FY 2022 Performance
Water Management	Description of water management risks and discussion of strategies and practices to mitigate those risks	FB-PF-140a.3	Discussion and Analysis	<p>As we are dependent on good quality freshwater in numerous applications, a sufficient amount of good quality freshwater available for use is the most significant water risk associated with TreeHouse Foods' operations. Examples of the most significant uses include: 1) as an ingredient in our product; 2) in heating and cooling processes; 3) in the production of steam; 4) in sanitation; and 5) facility usage for employees. If we were to lose access to good quality water, our operations would be severely disrupted.</p> <p>Our efforts to manage this risk include increased water efficiency efforts. In 2022, we completed a project to eliminate the use of single pass cooling water in our Pecatonica, Illinois facility. This project is estimated to reduce the plant's water consumption by approximately 20 million gallons per year. Efforts such as these may result in additional energy use for the associated equipment; however, projected water savings would far outweigh the energy increase.</p> <p>Compliance with local, state, and federal requirements also pose a risk as regulatory bodies push for cleaner wastewater discharges in light of capacity limitations, and growing populations.</p> <p>Efforts to manage water and wastewater risks include the proactive evaluation of wastewater discharges. In 2021, a corporate team was established to review our wastewater operations for ways to monitor discharges, improve performance, and anticipate impact of production changes as they relate to wastewater compliance. This team – consisting of individuals from corporate environmental affairs, plant wastewater, environmental health &amp; safety, and engineering – continues to support these efforts.</p> <p>Projects to install new or improved wastewater treatment systems were initiated in several plants to ensure compliance with local, state, and federal requirements and ensure cleaner wastewater discharge. Plants included Cambridge, MD (initiated in 2022, expected completion in 2024); Lancaster, PA (initiated in 2021, expected completion in 2023); Princeton, KY (initiated in 2022, completed in 2023); and Tonawanda, NY (initiated in 2022, completed in 2023).</p>
Food Safety	Global Food Safety Initiative (GFSI) audit (1) non-conformance rate and (2) associated corrective action rate for (a) major and (b) minor non-conformances	FB-PF-250a.1	Quantitative	<p>1) a. 0.0; zero major non-conformances 1) b. 4.03</p> <p>2) a. N/A; zero major non-conformances 2) b. 100%</p> <p>These rates include divested plants where audits occurred prior to divestiture; does not include two plants whose audits occurred post-divestiture.</p>
	Percentage of ingredients sourced from Tier 1 supplier facilities certified to a Global Food Safety Initiative ("GFSI") recognized food safety certification program	FB-PF-250a.2	Quantitative	A total of 98% of direct food suppliers are certified to GFSI-recognized food safety certification program.

## Accounting Metrics | continued

Topic	Accounting Metric	SASB Code	Category	FY 2022 Performance
Food Safety	(1) Total number of notices of food safety violation received, and (2) percentage corrected	FB-PF-250a.3	Quantitative	We had one (1) Food and Drug Administration ("FDA") food safety violation. The violation was corrected.
Food Safety	(1) Number of recalls issued and (2) total amount of food product recalled	FB-PF-250a.4	Quantitative	1) 1 2) 143.5 metric tons  This voluntary recall was due to inaccurate labeling on one product. No legal proceedings or fatalities were reported.
Health & Nutrition	Revenue from products labeled and/or marketed to promote health and nutrition attributes	FB-PF-260a.1	Quantitative	Approximately \$904 million, or 19% of our total revenue, came from products with health and nutrition claims. <sup>2</sup>
Health & Nutrition	Discussion of the process to identify and manage products and ingredients related to nutritional and health concerns among consumers	FB-PF-260a.2	Discussion and Analysis	Our Product Development Team monitors consumer trends and concerns around health and nutrition. These trends, such as consumer preference for simple ingredients, less sugar and higher nutritional values, inform our ingredient management and selection. Our Business Leads answer customer requests and share those requests, as well as any product claims or required customer initiatives, with our internal teams. These communications are used to develop our products, packaging and labeling strategies for our customers. Our Regulatory Affairs Team monitors regulatory changes to help implement internal adjustments before any noncompliance can result in fines, recalls, reputational damage, or customer losses.
Product Labeling & Marketing	Percentage of advertising impressions (1) made on children and (2) made on children promoting products that meet dietary guidelines	FB-PF-270a.1	Quantitative	We conduct limited marketing directly to consumers as a private-label company, and it is directed to adults, who make household purchasing decisions.

<sup>2</sup>This metric does not include products sold outside of North America.

## Accounting Metrics | continued

Topic	Accounting Metric	SASB Code	Category	FY 2022 Performance
Product Labeling & Marketing	Revenue from products labeled as (1) containing genetically modified organisms (GMOs) and (2) non-GMO	FB-PF-270a.2	Quantitative	<p>1) We maintain compliance with the <a href="#">National Bioengineered (“BE”) Food Disclosure Law</a>, which requires food companies that label foods for retail sale to disclose information about BE food and ingredients. TreeHouse Foods evaluated all finished goods and collaborated with retail customers to update packaging and/or websites prior to the compliance date of January 1, 2022. We continue to monitor this regulation for additions to the BE list.</p> <p>2) Approximately \$482 million, or 10% of total revenue.</p>
Product Labeling & Marketing	Number of incidents of non-compliance with industry or regulatory labeling and/or marketing codes	FB-PF-270a.3	Quantitative	We work to prevent incidents of non-compliance and legal proceedings associated with them. Our Regulatory Affairs Team monitors governmental regulations and changes to promote compliance. We address any potential notices of non-compliance with regulatory labeling and marketing codes and work with regulatory agencies to correct issues immediately.
Product Labeling & Marketing	Total amount of monetary losses as a result of legal proceedings associated with labeling and/or marketing practices	FB-PF-270a.4	Quantitative	Please see the Legal Proceedings section of our <a href="#">2022 Annual Report</a> for the fiscal year ending on December 31, 2022.
Packaging Lifecycle Management	(1) Total weight of packaging, (2) percentage made from recycled and/or renewable materials, and (3) percentage that is recyclable, reusable, and/or compostable	FB-PF-410a.1	Quantitative	<p>1) 303,448 metric tons</p> <p>2) 51% of packaging, by weight, made from renewable material; 25% of packaging, by weight, made from pre- and post-consumer recycled materials<sup>3</sup></p> <p>3) 92%<sup>4</sup></p>
Packaging Lifecycle Management	Discussion of strategies to reduce the environmental impact of packaging throughout its lifecycle	FB-PF-410a.2	Discussion and Analysis	See our <a href="#">2022 ESG Report</a> , pg. 13. We are in the process of re-evaluating our footprint post-divestiture and will continue to focus on improving sustainable packaging efforts from continued product categories.

<sup>3</sup>This number represents the average percentage of post-consumer recycled content (“PCR”) by metric tons in our packaging. In 2021 this metric was calculated as the percentage by weight of our packaging that had any amount of PCR content.

<sup>4</sup>We define as “renewable” all packaging that comes from a fiber of bio-based resin feedstock; we define as “recyclable” all items able to be recycled via third-party definitions (such as recyclable packaging materials defined as “widely recyclable,” “check locally” or “store drop-off” by How2Recycle).

## Accounting Metrics | continued

Topic	Accounting Metric	SASB Code	Category	FY 2022 Performance	
Environmental & Social Impacts of Ingredient Supply Chain	Percentage of food ingredients sourced that are certified to third-party environmental and/or social standards, and percentages by standard	FB-PF-430a.1	Quantitative	<p>We leverage certifications to address the following concerns and preferences over ingredients, animal welfare, and food sensitivities:</p> <ol style="list-style-type: none"> <li>1) Gluten Free certification addresses gluten as a sensitivity and/or allergen</li> <li>2) Cage Free, Global Animal Partnership, and Vegan certifications address concerns regarding animal welfare</li> <li>3) Organic and non-GMO certifications address preferences towards non-GMO ingredients</li> <li>4) Roundtable on Sustainable Palm Oil ("RSPO"), Rainforest Alliance and Fair Trade certifications address concerns regarding environment, social, and labor impacts.</li> </ol>	<p>We are certified with Fair Trade ("FT") USA and are certified to the Trader Standards, which are applicable to companies that handle and trade FT USA-certified commodities.</p> <p>We source our certified food ingredients primarily to the Mass Balance ("MB") and Book &amp; Claim ("B&amp;C") RSPO supply chain standards with a small percentage being certified to the Identity Preserved ("IP") standard.</p> <p>Percentage breakdown of the palm oil we source:</p> <ul style="list-style-type: none"> <li>• 58.7% MB</li> <li>• 40.8% RSPO Palm Credits from Mill/Crusher</li> <li>• 0.5% IP</li> </ul>
Environmental & Social Impacts of Ingredient Supply Chain	Suppliers' social and environmental responsibility audit (1) non-conformance rate and (2) associated corrective action rate for (a) major and (b) minor non-conformances	FB-PF-430a.2	Quantitative	<p>We have a <a href="#">Responsible Sourcing Policy</a> that outlines our expectations for suppliers around:</p> <ul style="list-style-type: none"> <li>• Environmental protection</li> <li>• Sustainable development</li> <li>• Bribery and corruption</li> <li>• Transparency &amp; traceability of priority ingredients</li> </ul>	<ul style="list-style-type: none"> <li>• Human rights &amp; fair working conditions</li> <li>• Workplace health &amp; safety</li> <li>• Food safety, quality &amp; regulatory compliance</li> <li>• Business integrity</li> </ul>
Ingredient Sourcing	Percentage of food ingredients sourced from regions with High or Extremely High Baseline Water Stress	FB-PF-440a.1	Quantitative	Please see our 2023 Task Force on Climate-Related Financial Disclosure ("TCFD") disclosure to learn about how we are improving our water use efficiency and addressing other water-related risks.	
Ingredient Sourcing	List of priority food ingredients and discussion of sourcing risks due to environmental and social considerations	FB-PF-440a.2	Discussion and Analysis	Our priority ingredients are coffee, cocoa, and palm oil. Please see our 2023 TCFD disclosure for discussion of sourcing risks.	

## Activity Metrics

Accounting Metric	SASB Code	FY 2022 Performance
Weight of products sold	FB-PF-000.A	1,652,218 metric tons
Number of production facilities	FB-PF-000.B	40 <sup>5</sup>

<sup>5</sup>This includes facilities divested as of October 3, 2022.

## About this Report

The information contained in this report is as of August 1, 2023, is not comprehensive and should be read in conjunction with our current and periodic reports filed with the Securities and Exchange Commission (“SEC”), including our Annual Reports filed on Form 10-K and Quarterly Reports filed on Form 10-Q. Furthermore, data, statistics, and metrics included in this report are non-audited estimates, not prepared in accordance with generally accepted accounting principles (“GAAP”), continue to evolve and may be based on assumptions believed to be reasonable at the time of preparation, but should not be considered guarantees.

This report uses certain terms, including those that TCFD and SASB or others refer to as “material” or “key” to reflect the issues or priorities of the Company and its stakeholders. Used in this context, however, these terms are distinct from, and should not be confused with, the term “material” as defined by or construed in accordance with securities, or other, laws or as used in the context of financial

statements and reporting. The inclusion of information in this report should not be construed as an admission regarding the materiality or financial impact of that information for purposes of U.S. securities law.

The ESG goals, projects, initiatives and strategies described in this report are aspirational, and as such, no guarantees or promises are made regarding their success. The information covered in this report contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including statements regarding our ESG goals, projects, initiatives, and strategies and related business and stakeholder impacts. These statements are based on management's current expectations and beliefs concerning future developments and plans and their potential effects on the Company and its subsidiaries. These statements involve risks and uncertainties, many of which are beyond our control and are difficult to predict, are not guarantees for future

performance, and actual results may differ materially from any future results expressed or implied by the forward-looking statements. More information on risks, uncertainties, and other potential factors that could affect our business and performance is included in the “Risk Factors” and “Management's Discussion and Analysis of Financial Condition and Results of Operations” sections of the Company's most recently filed periodic reports on Form 10-K and Form 10-Q and subsequent filings. The forward-looking statements in this report are made as of the date first published, unless otherwise indicated, and we undertake no obligation to update these forward-looking statements as a result of new information or to reflect subsequent events or circumstances, except as required by law. For more information about TreeHouse Foods, Inc. please refer to our website: [www.treehousefoods.com](http://www.treehousefoods.com).