

Del Monte Corporation

ESTIMATED CUMULATIVE RESULTS (2011-2013)

Del Monte Corporation (Del Monte) is one of the country's largest producers, distributors and marketers of premium-quality, branded pet and consumer food products for the U.S. retail market.

In 2014, Del Monte Corporation divested its consumer products business, now known as Del Monte Foods, Inc., while keeping the remaining pet food business and changing its name to Big Heart Pet Brands.

KKR will work with Big Heart Pet Brands, the new stand-alone pet business, to develop a new GPP action plan and reporting metrics. Following reporting year 2013, KKR will no longer report GPP results on behalf of Del Monte Corporation or Del Monte Foods.

\$9.3M
IN AVOIDED ENERGY AND FLEET COSTS

32,700
METRIC TONS OF GHG EMISSIONS AVOIDED

\$7.1M
IN RECYCLED WASTE REVENUE

374,000
TONS OF WASTE RECYCLED

Key Environmental Performance Area: GREENHOUSE GAS EMISSIONS (FACILITIES)

RESULTS

In 2013, as part of the Green Portfolio Program, Del Monte measured energy consumption in its production, research & development, and distribution centers.

In absolute terms, GHG emissions from these sources have remained flat, increasing by approximately 1% compared to a 2011 baseline. Over the same time period, efficiency has improved by 1% (GHGs/production volume). These improvements in efficiency have helped Del Monte to avoid almost \$700,000 in energy costs and approximately 9,200 metric tons of GHG emissions since 2011.

Del Monte: Facility GHG Efficiency (2011 Baseline)

Estimated Results	2012	2013	Total
Avoided GHGs (metric tons)	5,600	3,600	9,200
Avoided costs	\$490,000	\$210,000	\$700,000
Change in productivity (GHGs/Production volume)	-2%	1%	-1%
Change in absolute GHGs	1%	0%	1%

Notes:

- See [methodology section](#) for description of avoided and efficiency calculations.
- The total % change is aggregate change between the baseline year and the most recent year of data. All other % changes are expressed as year-over-year.
- Reported numbers are rounded and may not produce the same results when used to analyze percent changes or total impact.

ACTIONS

In 2013, Del Monte achieved these results by continuing its implementation of the following practices:

- Installed condensate economizers on boilers in select facilities to improve steam generation efficiency. Additional boiler efficiency projects will continue to be explored and implemented in 2014
- Completed high-efficiency lighting projects in 2013 and will continue through 2014
- Implemented initiatives to eliminate equipment and operation inefficiencies in 2013 that will continue through 2014 including burner, air compressor, and insulation upgrades
- Assessed cost-effective renewable energy opportunities such as fuel cells, solar, and wind continue

Key Environmental Performance Area: GREENHOUSE GAS EMISSIONS (FLEET)

RESULTS

In 2013, as part of the Green Portfolio Program, Del Monte measured the efficiency of its distribution fleet. In absolute terms, GHG emissions from the distribution fleet decreased 12% compared to a 2011 baseline. Though it does not own its distribution fleet, Del Monte implemented a number of improvements that directly resulted in improved fleet efficiency. Therefore, over the same time period, efficiency improved by 12% (GHGs/production volume). These improvements in efficiency have helped Del Monte to avoid more than 23,500 metric tons of GHG emissions since 2011. In addition, a subset of the fleet activities resulted in estimated direct savings of approximately \$8.6 million since 2012.

Del Monte: Fleet GHG Efficiency (2011 Baseline)¹

Estimated Results	2012	2013	Total
Avoided GHGs (metric tons)	5,200	18,200	23,500
Change in productivity (GHGs/Production volume)	-3%	-8%	-12%
Change in absolute GHGs	-7%	-6%	-12%

Notes:

- See [methodology section](#) for description of avoided and efficiency calculations.
- The total % change is aggregate change between the baseline year and the most recent year of data. All other % changes are expressed as year-over-year.
- Reported numbers are rounded and may not produce the same results when used to analyze percent changes or total impact.

ACTIONS

Del Monte achieved its 2013 fleet results by implementing the following practices:

- Continued to optimize its transportation network, including the incorporation and consolidation of Natural Balance and co-manufacturer supply chain distribution

Key Environmental Performance Area: WASTE RECYCLING (FACILITIES)

RESULTS

In 2013, as part of the Green Portfolio Program, Del Monte focused on reducing and recycling waste from its production and distribution centers.

Since 2011, Del Monte has recycled more than 374,000 tons of revenue-generating waste at its facilities. This recycling has resulted in approximately \$7.1 million in revenue, offsetting approximately 50% of waste costs in 2013. Since 2011, revenue-generating waste recycling has increased in absolute terms by approximately 12% and waste recycling efficiency has improved 10% (ton/production volume).

Del Monte: Waste Recycling at Facilities (2011 Baseline)

Estimated Results	2011	2012	2013	Total
Revenue-generating waste recycled (tons)	\$123,000	\$113,000	\$138,000	\$374,000
Recycling revenue	\$2,200,000	\$2,300,000	\$2,700,000	\$7,100,000
Change in productivity waste recycled/production volume)		-10%	22%	10%
Change in waste recycled		-8%	21%	12%

Notes:

- See [methodology section](#) for description of avoided and efficiency calculations.
- The total % change is aggregate change between the baseline year and the most recent year of data. All other % changes are expressed as year-over-year.
- Reported numbers are rounded and may not produce the same results when used to analyze percent changes or total impact.

ACTIONS

In 2013, Del Monte achieved these results through the following practices:

- Maintained zero-landfill status at facilities where feasible while exploring opportunities to achieve additional zero-landfill facilities in 2014
- Evaluated additional opportunities for waste reduction through employee engagement, waste reduction, and partnerships with recycler firms. Opportunities in 2014 to implement best practices include conversion from land application of organic waste to animal feed for appropriate waste streams

**Key Environmental Performance Area:
WATER USE REDUCTION (FACILITIES)**

RESULTS

In 2013, as part of the Green Portfolio Program, Del Monte focused on reducing (fresh) water consumption in its manufacturing facilities. Since 2011, Del Monte has increased water consumption in absolute terms by approximately 5% and efficiency has declined by approximately 3% (liters of water/production volume). This change is attributed mostly to changes in the product mix in the pet business that required more water consumption than in previous years, but is a trend that reversed between 2012 and 2013.

Del Monte: Water Efficiency (2011 Baseline)

Estimated Results	2012	2013	Total
Change in productivity (liters/Production volume)	5%	-1%	3%
Change in absolute water	7%	-2%	5%

Notes:

- See [methodology section](#) for description of avoided and efficiency calculations.
- The total % change is aggregate change between the baseline year and the most recent year of data. All other % changes are expressed as year-over-year.
- Reported numbers are rounded and may not produce the same results when used to analyze percent changes or total impact.

ACTIONS

In 2013, Del Monte implemented a number of water efficiency initiatives including:

- Increased recirculation or reuse of water in place of single use where applicable and improved air compressor cooling systems. At one Pet plant, water usage was reduced by approximately 1,000,000 gallons/month by installing equipment that greatly improved recirculation of chilled water
- Initiated 2013 quarterly results to operations and distribution managers in order to provide visibility to facilities for reduction opportunities

Del Monte Corporation enrolled in the Green Portfolio Program in 2012 and is reporting results for the second time. Moving forward, the company will be recalculating its baselines and reporting results as Big Heart Pet Brands.

Note: Reported numbers are rounded and may not produce the same results when used to analyze percent changes or total impact.



1 The financial impact of Del Monte Corporation's fleet efficiency efforts is an aggregate estimate provided by Del Monte Corporation. It is not calculated through the improvement in efficiency as described in the Green Portfolio Program methodology document.