Feeling Good About Community Relations



Community engagement is a year-round pillar of corporate social responsibility (CSR) efforts. However, between Thanksgiving and the end of the year, our 2019 analysis revealed an uptick in these community-focused communications. As Rob Newbold of IMEC Illinois put it at an Oct. 22 Chicagoland Food and Beverage Network event: "If a company engages with its community, the community will support the business in return."

Beyond the mutual benefit, a company's community engagement serves as an important signal to investors and employees that the company cares about more than just the bottom line. With their built-in resources to provide hunger relief, food companies are in a unique position to help communities. Restaurants and grocers sit within the communities they serve and play a part in people's daily lives, while international companies have the capacity to make a dent in global hunger. And, regardless of size, everyone pitches in when disaster strikes; FEMA even uses the Waffle House index to measure a disaster's impact.

Below is a representative sample of well-known category leaders and what each company is doing to improve community relations.

MAJOR MANUFACTURERS ADDRESS MAJOR ISSUES

WITHOUT HEALTHY AND SUSTAINABLE COMMUNITIES, WE DON'T HAVE A HEALTHY AND SUSTAINABLE BUSINESS.

- JAMES QUINCY, CEO, COCA-COLA



- Nestlé USA's community-based goals <u>include</u> "improving 30 million livelihoods by 2030." This
 ambitious plan starts at the base of the food system, placing a big focus on rural communities
 and farmers. The company uses its scale as the biggest food company in the world to reduce
 hunger and offer disaster relief.
- Coca-Cola lists empowering women, disaster relief and education as its priorities. It's philanthropic arm, <u>The Coca-Cola Foundation</u>, has donated more than \$1 billion to 2,400 organizations.
- Mars takes a wider perspective, <u>counting</u> "thriving people" as one of three core tenets of its sustainability plan. The confection, food and pet care leader emphasizes "increasing incomes, protecting human rights and unlocking opportunities for women."
- Kellogg focuses on worldwide food security as its core contribution to community. Since 2013, the cereal titan's <u>Breakfasts for Better Days</u> has provided more than 3 billion servings to people in need. Every October, the company promotes <u>World Food Day</u>, partnering with hunger leaders, such as Feeding America and The Global FoodBanking Network.

RETAILERS AND RESTAURANTS SERVE COMMUNITIES DIRECTLY

STAKEHOLDERS ARE INCREASINGLY DECIDING WHICH BUSINESSES TO SUPPORT BASED ON SHARED VALUES AND CLARITY OF PURPOSE.

- RODNEY MCMULLEN, CHAIRMAN AND CEO, KROGER



- Walmart's community initiatives span <u>disaster relief</u>, <u>hunger relief</u>, <u>community engagement</u>, local giving, and support of veterans and company associates.
- Kroger's efforts focus on <u>hunger relief</u>, <u>fighting breast cancer</u> and <u>honoring veterans</u>. The
 second-largest grocer in the United States, this year Kroger published "<u>A Sustainable Future</u>,"
 an environmental, social and governance (ESG) report that emphasizes its commitment to
 hunger relief and reducing food waste.

- Costco partners with <u>New Eyes for the Needy</u> and donates cash and products to <u>World Vision</u> and <u>Feeding America</u>
 as part of its Waste Stream Management plan.
- Dunkin' Brands <u>promotes</u> "sustainable communities," recognizing that its restaurants can play a role in the neighborhoods in which they operate. The coffee and doughnut mainstay started the Joy in Childhood foundation in 2006 to "provide simple moments of joy to sick and hungry kids."
- Yum! Brands <u>supports</u> communities surrounding its Pizza Hut, Taco Bell and KFC stores by donating "food, funds, time and talent to help local and global communities." Programs such as Pizza Hut's <u>BOOK IT!</u> reading program and Taco Bell Foundation's <u>Live Más Scholarship</u> support both local and global causes.

REACHING UP FROM THE BASE OF THE FOOD SYSTEM

AT ADM, WE FUNDAMENTALLY BELIEVE THAT PROVIDING ACCESS TO NUTRITION HAS THE POWER TO SOLVE MANY OF THE WORLD'S CHALLENGES.

– JUAN LUCIANO, CHAIRMAN AND CEO, ARCHER DANIELS MIDLAND



- Archer Daniels Midland (ADM) lists community relations as one of its key sustainable development goals. Through its <u>ADM Cares</u> program, the agricultural processing giant contributes almost \$5 million annually to <u>education</u> and <u>food security</u> causes.
- Seaboard Foods, the largest U.S.-owned pork producer, <u>strives</u> to engage "in funding and supporting many cultural, community and charitable efforts in our communities." The company supports more than 200 organizations, including <u>Operation BBQ Relief</u>, to which the company donates hundreds of thousands of meals.
- General Mills <u>illustrates</u> its community involvement in an infographic, indicating the company's "aim is to build strong, resilient and sustainable communities" by investing more than \$100 million in food security, sustainable agriculture and hometown communities.

COMMUNITY AT THE CORE

WE WILL CONTINUE TO SUPPORT BRINGING PEOPLE TOGETHER IN SERVICE AND WORKING TO ADDRESS COMPLEX PROBLEMS IN OUR COMMUNITIES, AND WE WILL CONTINUE TO MAKE SUSTAINABILITY A PRIORITY AS WE HAVE FOR MORE THAN 30 YEARS.

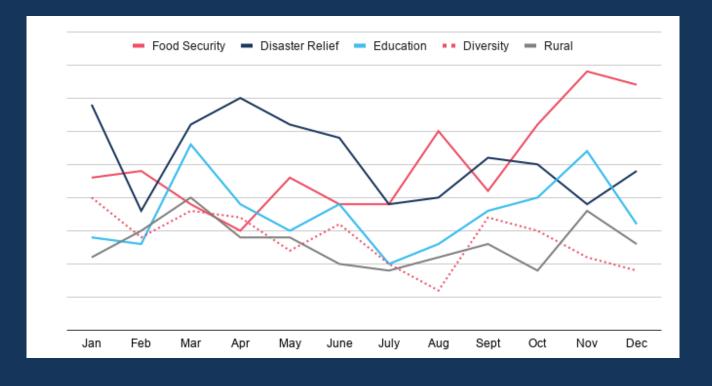
- KEVIN JOHNSON, CEO, STARBUCKS



- Since the turn of the millennium, an increasing number of companies large and small have built business models around community involvement as much as profit.
- Starbucks believes in <u>strengthening communities</u> locally and abroad by connecting with <u>youth</u>, offering a community-based service to <u>match</u> volunteers with organizations that need their help, <u>diversifying</u> its workforce and investing in <u>farming communities</u> where beans are sourced as well as in its <u>hometown</u> of Seattle.
- Chicago-based Rumi Spice built its saffron supply chain around "economically empowering Afghan farmers, inspiring Afghan women through direct wages, and building out Afghanistan's agricultural infrastructure." The company <u>earned</u> Best of the World: Community honors from <u>Certified B Corporation</u> a third-party certifier of ESG efforts.
- Farmer's Fridge, best known for selling salads in vending machines, started with the goal of
 "making wholesome, delicious food easily accessible." The startup takes its commitment one
 step further by donating unsold foods. To ensure that the foods can be distributed in a timely
 manner, Farmer's Fridge delivers the products directly to local food pantries.
- Plot Twist Disruptors is developing a healthy meal replacement bar with a philanthropic twist: for every purchase, the company will make an equal food donation to a variety of needy causes.

RANKING THE DISCUSSION

Most food industry companies contribute to their communities in various ways. Below is an Intel Distillery comparison of conversation volume for the strongest community-based themes over the past 12 months.



- Disaster relief and food security led most conversations about community engagement, though over the course of the year, the volume often moved in opposite directions.
- Springtime flooding in the Midwest stirred a good deal of disaster relief attention. A smaller peak in the fall corresponded to a relatively mild hurricane season.
- Discussions of food security peaked during the holiday season, with a smaller jump in volume when children returned to school in August.
- Education-related efforts dropped off during the summer months. Companies often award scholarships in the spring, while fall brings a focus on support for local school programs.
- Attention to issues affecting rural communities garnered the most attention during the planting and harvest seasons.



The Intel Distillery: one essential source for food industry analysis, intelligence and insight.

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