



**Stonyfield**  
**ORGANIC**™

# **Stonyfield's Sustainable Pouch Journey**

April 2024

# Our 2030 packaging roadmap and how pouches fit



GHG reduction  
-15% or 9,000T CO<sub>2</sub>e



100%  
Recycled/biobased  
Content by 2030



Light-weighting and  
removing unnecessary  
packaging



Improve  
Recyclability



Implement an  
internal fiber  
sourcing policy



Protection  
from toxins



5% of our goal  
✓ 10% reduction of pouches, caps and overwraps

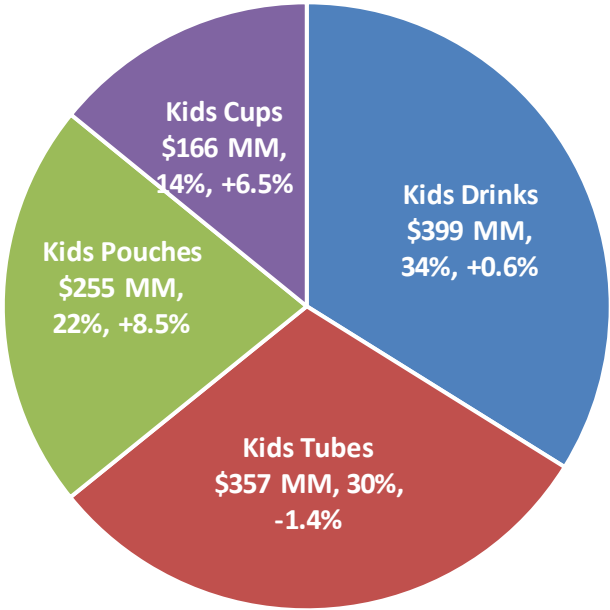


# Pouches are the fastest growing segment in Kids Yogurt

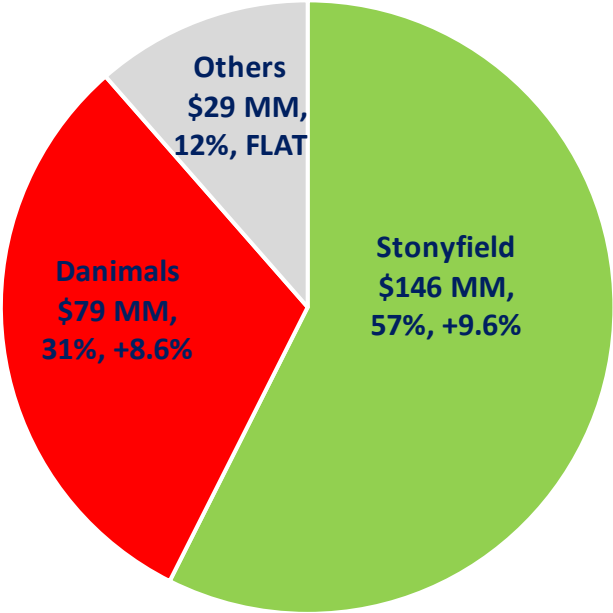


## KIDS POUCHES MAKE UP 22% OF KIDS YOGURT AND ARE GROWING +8.5% VS YA

Kids Yogurt 2023: \$1.2B +2.3% vs YA



## STONYFIELD IS THE SEGMENT LEADER WITH 57% SHARE OF THE POUCH SEGMENT



As the leader in yogurt pouches, we have a responsibility to improve our packaging



Source: Circana MULO Calendar year 2023

# We have several challenges which the NE-DBIC grant helped us solve



## WE PRODUCE POUCHES IN 3 LOCATIONS

- Our own plant in Londonderry, NH
  - Pre-formed pouches
- 2 co-packers
  - Roll-fed pouches

## OUR POUCHES ARE NOT RECYCLABLE



LON pre-formed pouches contain 3 Layers:

1. PET
2. PET
3. LLPDPE (Linear low-density polyethylene)

+ Cap & Fitment PP

## ACTION PLAN

- For Londonderry, NH:
  - Find and launch a mono-material PE pouch
  - Light-weight our pouch caps
  - Install new pouch line to run both
  - Retro-fit our existing line to run the light-weighted caps (requires equipment modification)
- For our co-packers:
  - While we find alternate pouch and cap solutions, evaluate carton size reduction to reduce footprint
- Overall:
  - Develop a case study, webinar and How To Guide to share with others
  - Disseminate and publish above resources

# We're well along on the journey in Londonderry, NH



## Pouch caps



- Implemented new lighter cap on one of 2 production lines in September 2023
- This new cap provides a -17% weight reduction

**Estimated impact for 2 lines:  
-40T plastic; -140T GHG**

## Pouches



- From multi-layers to mono material PE pouch for YoBaby
- This new pouch provides a -11% weight reduction but it comes at a price premium
- Launched Feb 2024

**Estimated impact for YoBaby:  
-4T plastic; -3T GHG**



## Full impact

- -13% less plastic than our previous packaging pouch + cap for YoBaby
- -44T of plastic
- -143T of GHG

## Remaining work

- Retro-fit our existing line to run the light-weighted caps in Summer 2024



# And at our co-packer



## Pouch size reduction

Old format **NEW format**



- In market December 2023

## Carton size Reduction

Old format **NEW format** Old format **NEW format**



- Implementing Q2 2024

## Full impact

- -10% reduction in GHG from transportation (because we'll be shipping more pouches per truck)
- ~-2% reduction in plastic from the reduced size of the pouch
- ~-8% reduction in paperboard usage from the reduced size of the carton
- ~-4% reduction in corrugate usage from the reduced size of the shipping case



# Ongoing challenges



## RECYCLABILITY

- While some of our pouches are mono-material, we cannot claim recyclability for legal reasons
  - At best, we can say “designed for the future of recycling”
- So for now, we only communicate on plastic reduction – but it’s still the right thing to do

## COST

- While our original goal was to transition all our pouches in Londonderry to mono-material, the cost was prohibitive: about \$0.02 more/pouch
- Greater supply going forward should help with economies of scale

## BUSINESS COMPLEXITY

- Working in 3 different production facilities is forcing us to develop 3 different solutions → triple the work!

## LONG-TERM VISION

- While a mono-material pouch and a light-weighted cap are a great 1<sup>st</sup> step, we strive to find better alternatives on our journey
  - Recycled/PCR content solutions by 2027
  - Bio-based solutions by 2030



# Taking the final steps: sharing with others



Starting with this group!

Working with Pure Strategies to:

- Develop a case study, webinar and How To Guide to share with others
- Disseminate and publish resources

## Any questions?

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**Thank you!**

