Supply Chain All Staff
"A Road Map"

FEEDING AMERICA

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Why I am here . . . 46,000,000/12M/7M - 4.2B/meals

My first 75 days key learnings and observations . . .

- **Over 95 1-1**
- **Visited Pan Handle**
- **Volunteer Work**
- **Board Meeting**
- **4 ET Meetings**
- **15+ Food Bank Visits**

- Food Supply Chain is Changing
- The Operating Model and Network are Complex
- Network Collaboration is Spotty
- Relationships are Crucial
- Strategic Objectives will Challenge “How We Do Our Work”
- Systems and Processes are Lagging
- Smart and Passionate People
- Opportunity Exists for more Cross Functional Collaboration
- Donors becoming more sophisticated and demanding

2025 Strategy

Let's Revisit our FA Mission and SC Fit . . .

Vision

A Hunger Free America

2025 Goal

By 2025, Feeding America, in collaboration with our network and our partners, will ensure access to enough nutritious food for people struggling with hunger, and make meaningful progress toward ending hunger.

Population-Level Indicator

Improved food security

Strategic Pillars & Board Outcomes

FEED

A Increased access to nutritious food

People facing hunger have reliable access to enough nutritious food

NOURISH

B Improved diet quality

People facing hunger are supported in making healthy choices

EMPOWER

C Improved financial security

People facing hunger experience improvements in financial security

In clear terms, the results we hope to achieve for the people we serve

UNITE

D Increased public passion to end hunger

Hunger is unacceptable in America

2025 Outcome & Strategies: FEED

Improved food security

Increased access to nutritious food
People facing hunger have reliable access to enough nutritious food

BETTER OFF
Degree of improvement in food security

STRATEGIES

Diversify sourcing across the value chain to capture more nutritious food

Improve equitable access to nutritious food, focusing on vulnerable communities & populations

Drive logistics innovation to increase efficiencies and expand access

DIFFERENCE MADE

/ % of people reporting sufficient and sustained access to nutritious food (overall and by target population / community)[1]

of people served (overall and by target population / community)[2]

meals to close gap (overall and by target population / community) [3]

[1] Client-level outcome we hope to track with participating members
[2] "How much" measure we have elevated given frequency of use in reporting; the network does not collect this today, but there is demand for a local count protocol
[3] "How much" measure we have elevated given frequency of use in reporting; members do track and report on this today for overall service area

Challenges we face in meeting our Mission…

Consumer Trends

- Growing demand for fresh, natural food
- Continued demand for foods high in protein
- More meal assembly vs home-cooking
- Increased out of home eating
- Shopping more frequently for immediate meal prep vs pantry stocking
- Growing awareness of food waste

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Food Industry Trends

- More efficient manufacturing supply chains / zero-waste targets
- Move toward higher nutritious value in production of foods
- New digital solutions, including direct to consumer delivery
- Continued growth in prepared foods
- Unprecedented trade mitigation spending on perishable commodities

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Impact for Feeding America

- Fewer food donations that result from traditional inefficiencies
- Higher costs to access food donations from untapped sources of exess
- Food donations include more fresh and prepared foods
- New digital channels for providing food to people in need

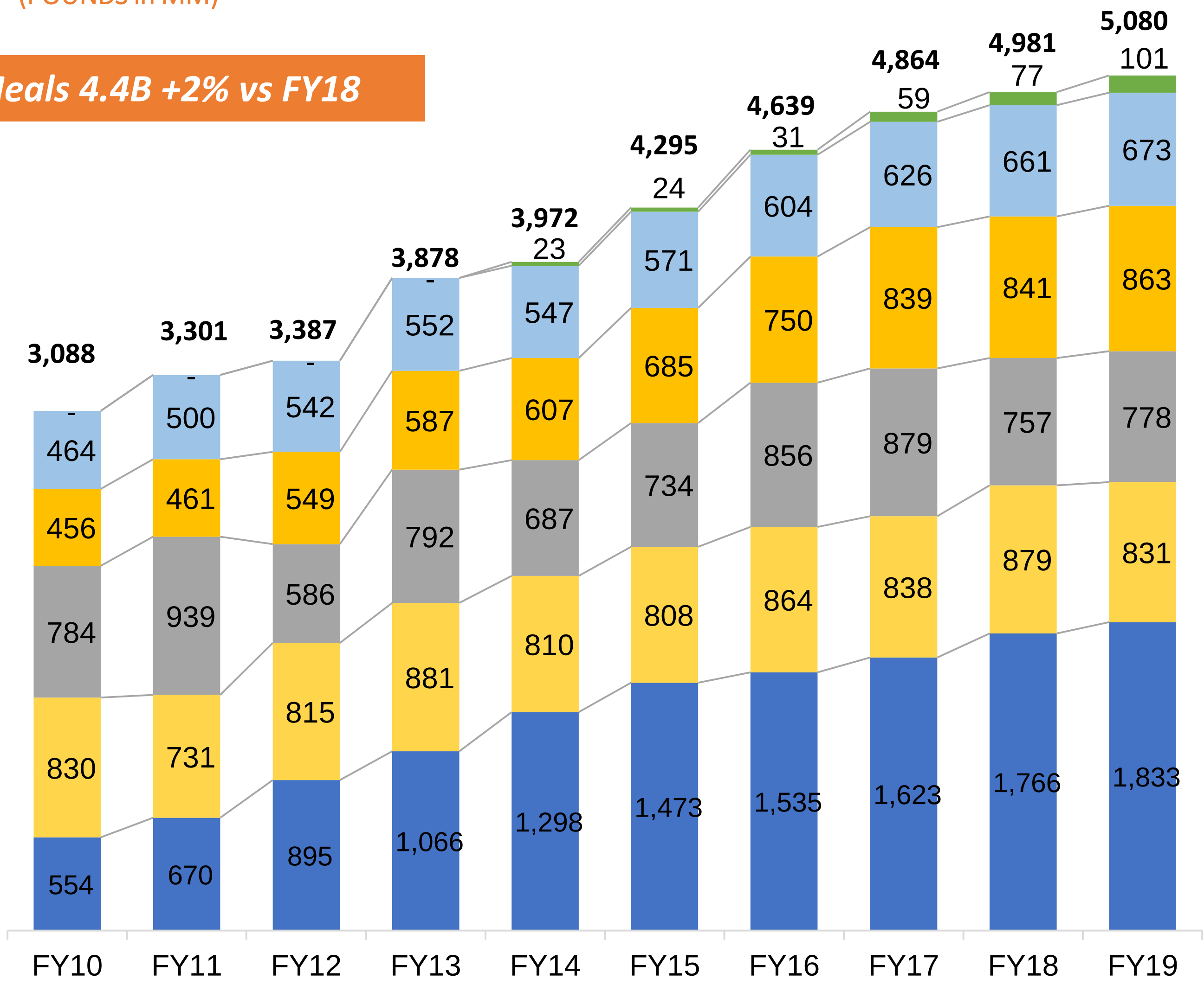
Freight/Distribution

Channel	Farmers & Agri-processors	Manufacturers Distributors	Federal Commodities (TEFAP)	Retail Grocers	Emerging Retailers / Prepared Food (2014-18)
FY18 Volume (lbs)	*841M*	*879M*	*757M*	*1,766M*	*77M*
'10-'18 annual growth CAGR	*7.04%*	*FLAT/Declining*	*FLAT/FY19 Bonus*	*13.75%*	*27.34%*

Channel LBS by Fiscal Year

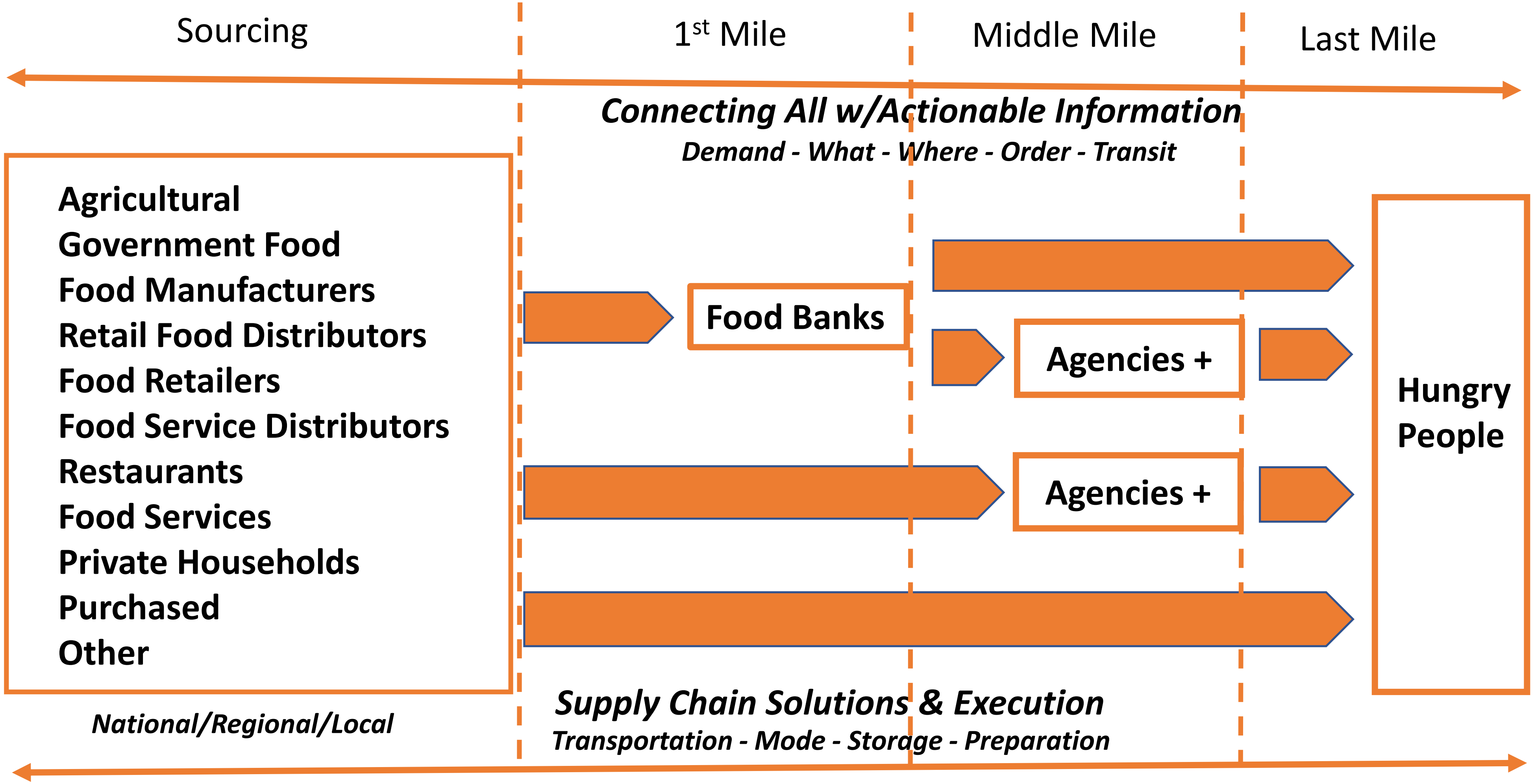
(POUNDS in MM)

Meals 4.4B +2% vs FY18

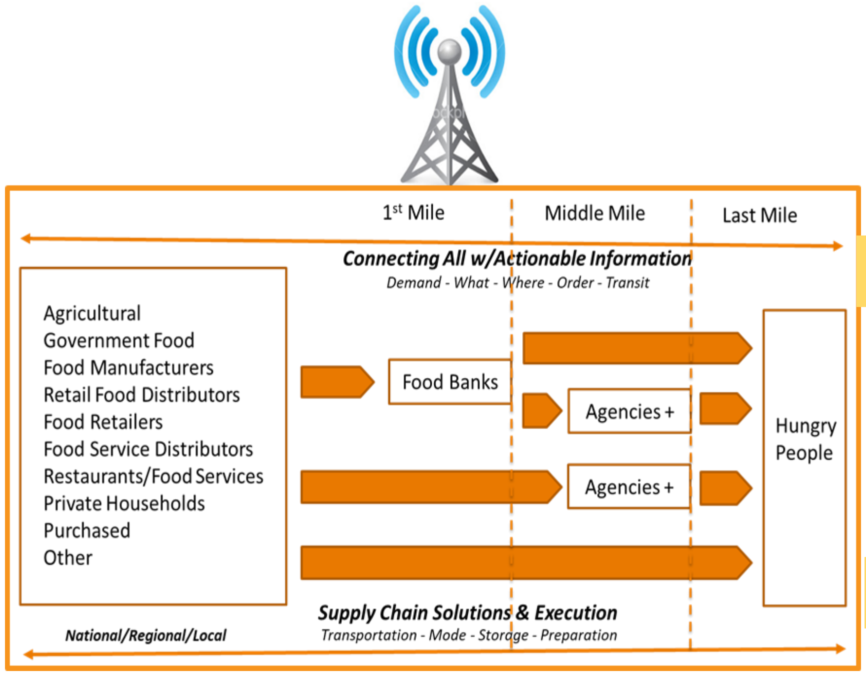


Channel	Final FY17-FY18	Target FY18-FY19
Emerging Retail	54%	31%
Purchasing	6%	2%
Produce	0%	3%
Fed Programs	(14%)	3%
Manufacturing	8%	(6%)
Retail	9%	4%
Totals	2%	2%

We need to rethink how we engage the Network in "<u>Sourcing" and "Moving</u>" food, given the changing Food Supply Chain Landscape and Mission Strategies.



Unlocking the potential of the “Food Chain”, as we think through the Operating Model changes needed to enhance Network Capability and Capacity around “Sourcing” and “Moving”.



	Operational Optimization	Ops Model Change
Sourcing	• “Cluster” Collaboration • Service Area Boundaries • Larger FB vs Smaller FB • People/Processes Best Practices • Network Metrics/Scorecards	• Technology and information • MEAL CONNECT – How High? • Strategic Partner(s) • E. Retail/Protein/Dairy/TFAP • Other Food Channels to Recover
Moving	• “Cluster” Collaboration • Fleet Utilization • Service Area Boundaries • Larger FB vs Smaller FB • Leveraging Agency Volunteers • Network Metrics/Scorecards • People/Processes Best Practices	• Technology and information • MEAL CONNECT – How High? • Strategic Partner(s) • Schools/UPS/Coke/Pepsi/USF/ Walmart/USPO/ • Tax Law Change Donated Logistics • Distribution Engineering


FEEDING
SAN DIEGO
MEMBER OF FEEDING AMERICA

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SC High Level "Call Outs" on People-Systems/Processes-Sourcing/Moving

People

- Change Leadership
- Vision - Alignment
- Communication
- Engagement
- Development
- Career Pathing
- Collaboration
- Continuous Improvement
- Functional Excellence
- Thought Leadership
- Org Health Survey

Systems/Processes

- Optimize Data Collection
- Donors → Clients
- Simplify Transactions
- Reduce Paperwork
- Increase Visibility/Realtime
- Connect Users →Actions
- Rationalize/Normalize
- Protocol/Routinize
- Network Harmonization
- Distribution Engineering

Source/Move

- Drive FEED Strategy Pillar
- Don't Do
- Do Better
- Do Different
- Nimble/Responsive
- Big Changes → Big Results
- Define FA SC Role vs FB
- Bend Cost Curves/Scale
- Freight Breakthroughs
- "Impact Partners" Engaged
- Free First!