



Almond Industry Leadership: Visibility, Responsibility and Providing Next-Generation Solutions

Richard Waycott, President and CEO

Buddy Ketchner, BK Strategy

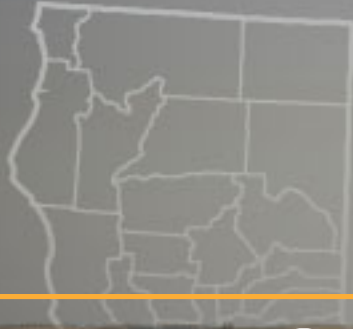
Stacey Humble, VP, Global Marketing & Communications

Dr. Karen Lapsley, Chief Scientific Officer



**BRINGING GREAT TASTE, NUTRITION, AND VITALITY
TO PEOPLE AROUND THE WORLD THROUGH THE
ENJOYMENT OF CALIFORNIA ALMONDS**

Maintaining focus on our vision, our “True North”



FUTURE OF THE CALIFORNIA ALMOND INDUSTRY

and the Almond Board of California



We are the leading crop in
CALIFORNIA
with an awesome future





TOGETHER THE ABC BOARD OF DIRECTORS,
COMMITTEES, AND STAFF ACCEPT
THE LEADERSHIP ROLE THAT
WE HAVE EARNED THROUGH
DECADES OF CONTINUOUS
IMPROVEMENT, GROWTH,
AND FINANCIAL SUCCESS

LEADERSHIP:
WE MUST USE OUR TALENT AND TREASURE
FOR THE BETTERMENT OF OUR INDUSTRY
AND CALIFORNIA AGRICULTURE





**THROUGH TRANSPARENT
COMMUNICATION AND ACTION,
WE MUST PARTNER WITH OUR
CUSTOMERS AND CONSUMERS IN
IMPROVING AGRICULTURAL
SUSTAINABILITY**

For the betterment of ourselves, our communities, and our planet



The Consumer Mindset

Buddy Ketchner, BK Strategy





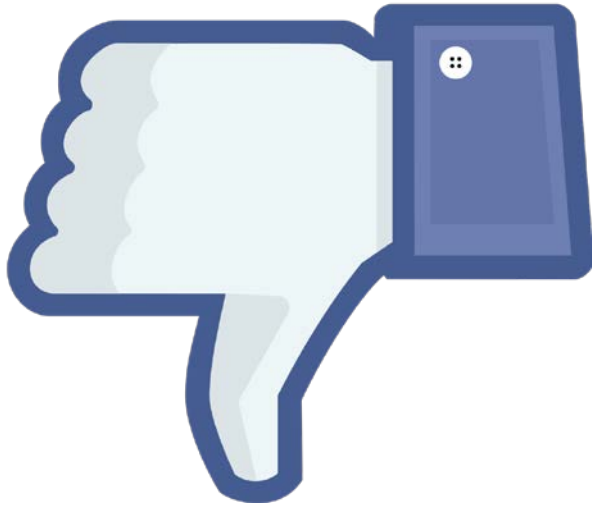
THE WATER CRISIS HAS CREATED TREMENDOUS STRESS, VOLATILITY AND UNCERTAINTY

- Unprecedented difficulties in farmers **ability to grow almonds**
- Continuing challenges on the industries **right to grow almonds**
- Serious questioning of consumers **decision to buy**



CONSUMERS HAVE GREAT EXPECTATIONS

- Connection to lifestyle
- Authenticity
- Transparency
- Ingredient focus
- Health
- Greater good



CONSUMERS ARE LESS TRUSTING AND MORE WILLING TO SWITCH

- Comfortable with unknown brands and products
- Europeans think 74% of brands could go away and they wouldn't care*
 - Want brands to improve their lives

A NEW LANG UAGE OF FOOD

PEOPLE WANT SIMPLE,
TASTY, CONVENIENT,
HEALTHY FOOD THAT
WON'T HURT THEM OR
THE WORLD



Artificial colors
Artificial flavors
Pesticides
Preservatives
High-fructose corn syrup
Growth Hormones
Antibiotics
Gluten
GMO's
Sustainability
Ethically grown

THE FOOD INDUSTRY IS IN A STATE OF DISRUPTION



THE TOP U.S.
FOOD AND
BEVERAGE
COMPANIES
HAVE LOST
\$18 BILLION
SINCE 2009

FOOD COMPANIES AND RETAILERS ARE TRYING TO ADJUST



Kraft removing synthetic flavors and colors from Mac n Cheese



General Mills cutting GMOs and Gluten from Cheerios



Kogers Simple Truth Line grew to \$1.2 Billion in two years

FOOD COMPANIES AND RETAILERS ARE TRYING TO ADJUST



REGIONS OF
CLIMATE ACTION



ROAD TO PARIS
SOLUTIONS FOR COP21

“The Paris Declaration”

(...) Opportunity for bottom-up action in favor of the low carbon economy

COMMITMENTS FOR ACTION

- Joint Climate Declaration to COP21 signed by General Mills, Unilever, Kellogg, Nestle, New Belgium Brewery, Ben & Jerrys, Clif Bar, Stoneyfield, Dannon
- Nestle “Creating Shared Values Report”
 - 27 Commitments on nutrition, health & wellness, environmental impact, water use, social impact and responsible sourcing

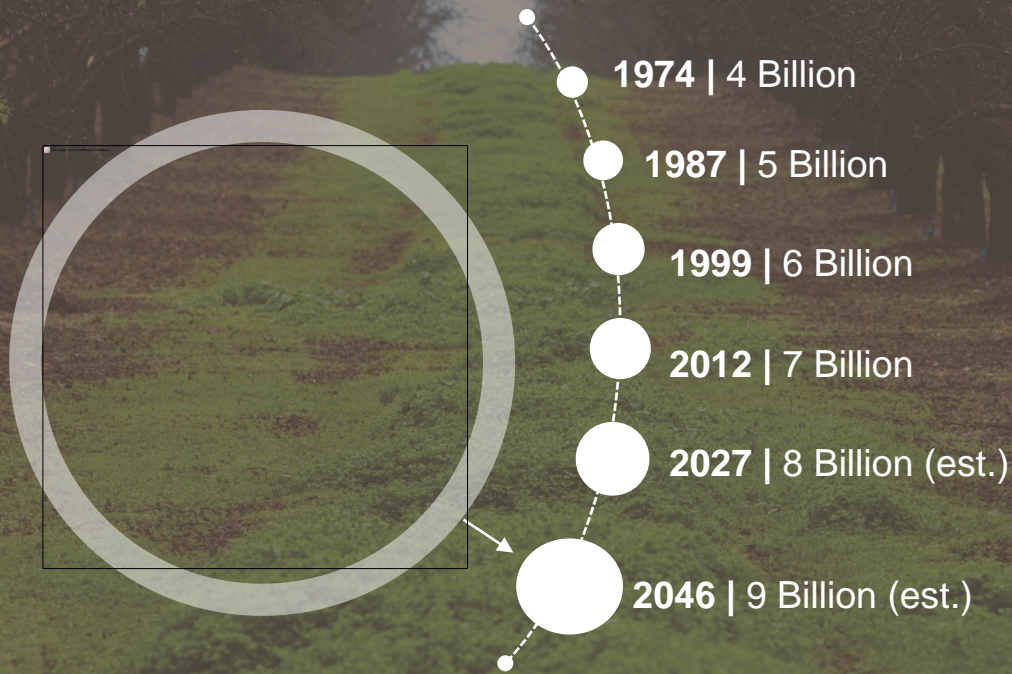


THE CONSUMER RELATIONSHIP IS THE BASIS FOR ALMOND INDUSTRY SUCCESS

- Consumers want to Trust that Almonds are **Good** as well as **Good for me**
- Need to extend and deepen our dialog
 - Almonds are a central part of a **healthy lifestyle**
 - Almonds are valuable in **making me better and the world better**
 - Almonds are part of a **sustainable eating lifestyle**

ALMONDS HAVE BECOME A REFERENCE POINT IN THE DISCUSSION ON THE DROUGHT





LARGER CONTEXT IS IMPORTANT TO ALL AUDIENCES

- Need to feed a growing world population
 - Growing from 7 Billion to 9.8 Billion by 2050
- Challenges are amplified by:
 - Growing middle class
 - Rising meat consumption
 - More volatile climate



HEALTH IS EVERYTHING

- The California Almond Industry is taking a new leadership role in redefining health
 - Health of the **Person**
 - Health of the **Community**
 - Health of the **Planet**
- Critical to align actions with our intentions

IMPORTANCE OF RESEARCH AND INNOVATION

Research

- Provide Facts to support or de-bunk ideas
- Inform and drive policy decisions
- Attract strategic partners
- Provide the basis for customer and consumer trust

Innovation

- Drive towards solutions for agriculture
- Establish the Almond Industry as a thought leader
- Build trust, engagement and preference with customers and consumers
- Pave the way for future sustainability and growth

OUR RIGHT TO WIN



HEALTH

Heart Health,
Nutrient Rich, Part
of Mediterranean
Diet



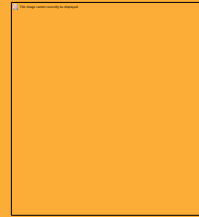
RELEVANCE

Convenient,
as a snack
and in other
foods



PLACE

Grown in the
Central Valley of
California,
Mediterranean
Climate



AUTHENTICITY

Generations of
family farms and
companies



GREATER GOOD

Unified
commitment to the
health of the
person, community
and planet



How Will the Almond Industry Thrive in the Context of Disruption?

Stacey Humble, VP, Global Marketing & Communications
Dr. Karen Lapsley, Chief Scientific Officer

Nuts are bad
for your
heart

HEALTH BENEFITS



Almonds, perfect snack for health: Handful a day can keep heart healthy and beat the flab, results of six new studies conclude

- The nuts have been found to help with a number of medical conditions
- Six separate studies found that almonds have multiple health benefits
- They are particularly useful for those at risk from diabetes

By DAILY MAIL REPORTER

PUBLISHED: 19:58 EST, 27 April 2014 | UPDATED: 03:30 EST, 28 April 2014

TRANSPARENCY AND SCIENCE HAVE PAVED THE WAY BEFORE



FOOD SAFETY



Navigating from...

“ALMONDS ARE GOOD FOR ME”

“BUT...ARE THEY GOOD FOR THE ENVIRONMENT?”



To...

“EVERYONE SHOULD WANT TO LIVE NEXT TO AN ALMOND GROWER”





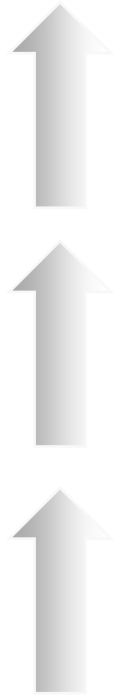
AIM:
WATER
MANAGEMENT
AND
EFFICIENCY



33%



WATER MANAGEMENT AND EFFICIENCY: IN ACTION



New Resources

- Local and Global Solutions
- Measure - Innovate - Educate - Measure
- Water Technology Expertise
- Accelerate Industry Adoption

AIM: SUSTAINABLE WATER RESOURCES

Municipal Water Recycling



Ground Water Recharge



SUSTAINABLE WATER RESOURCES: **IN ACTION**



California farmers hope to capture El Niño rains

Growers will flood fields after big storms



California's new hot commodity: Stormwater

The Fresno Bee 

Can almond acreage help refill California's underground aquifers?

THE VOICE OF THE FOOTHILLS
AM 950/KAHI
Community Involved

Almond Farmers Could Help Refill California's Low Groundwater Tables

 **TURLOCK JOURNAL**
Serving the Turlock area since 1904

Partnership to explore groundwater recharge on almond orchards

The Modesto Bee 

Recharge method could boost Merced-area aquifers up to 20 percent, report says

ALMOND ACREAGE GROUNDWATER RECHARGE SUITABILITY ANALYSIS



Initial assessment shows

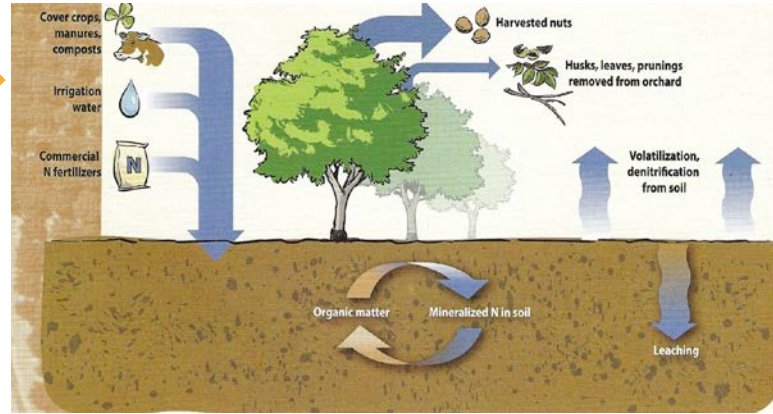
35-60% of acres should
be suitable for **ground
water recharge**



AIM: AIR QUALITY



Nitrogen Management Tools



Kathy Kelley-Anderson et al: ANR Pub # 21623



AIR QUALITY: IN ACTION



Pilot project to generate
greenhouse gas
Credits from almonds, corn



NEWS
EDF and partners win grant to reduce
emissions from agriculture



Almond board to take part in \$960,000
environmental project



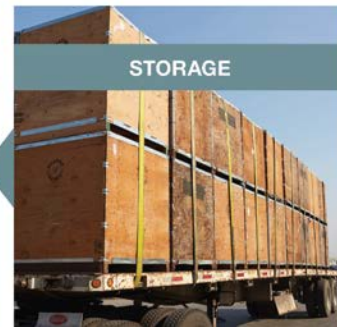
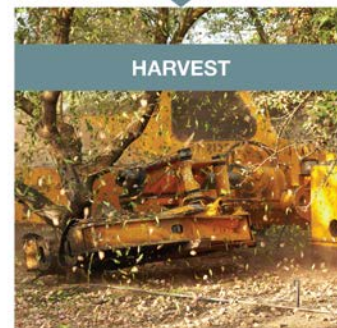
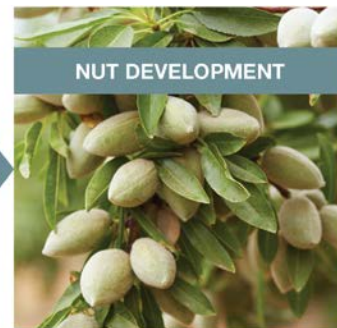
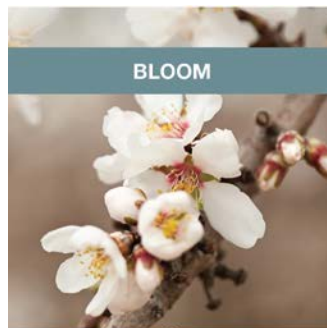
capital public radio | NEWS

Almond Growers Explore Ways To Reduce
Greenhouse Gas Emissions



AIM: 22ND CENTURY AGRONOMICS

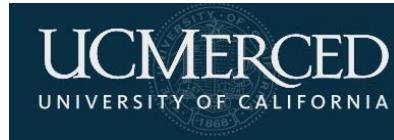
Farm of the Future



BUILDING PARTNERSHIPS: FROM CONVENTIONAL TO UNCONVENTIONAL



AGRICULTURAL SUSTAINABILITY INSTITUTE AT UC DAVIS





WE WILL ACHIEVE

TRUST

THROUGH:

TRANSPARENCY,

**MISINFORMATION
CORRECTION,**

INTENTION

• AND •

ACTION





The Road Ahead

Richard Waycott, President and CEO



THE ROAD AHEAD

Curvy, Bumpy and the Role of Risk



OUR FOCUS

Making a Meaningful Difference
to Growers, Consumers, Customers



BE FEARLESS IN OUR FUTURE



VIDEO



Almond Industry Leadership: Visibility, Responsibility and Providing Next-Generation Solutions

Richard Waycott, President and CEO

Buddy Ketchner, BK Strategy

Stacey Humble, VP, Global Marketing & Communications

Dr. Karen Lapsley, Chief Scientific Officer