



pets. people. planet.

Manufacturing a Sustainable Future

August 19, 2021





Billy Cyr  
Pet Parent to Appa

# Forward Looking Statements & Non-GAAP Measures

## Forward-Looking Statements

Certain statements in this presentation constitute “forward-looking” statements, which include any statements related to the novel coronavirus (“COVID-19”), the Freshpet Kitchens Expansion, and the Company's general operating and economic environment. These statements are based on management's current opinions, expectations, beliefs, plans, objectives, assumptions or projections regarding future events or future results. These forward-looking statements are only predictions, not historical fact, and involve certain risks and uncertainties, as well as assumptions. Actual results, levels of activity, performance, achievements and events could differ materially from those stated, anticipated or implied by such forward-looking statements. While Freshpet believes that its assumptions are reasonable, it is very difficult to predict the impact of known factors, and, of course, it is impossible to anticipate all factors that could affect actual results. There are many risks and uncertainties that could cause actual results to differ materially from forward-looking statements made herein including, most prominently, the risks discussed under the heading “Risk Factors” in the Company's latest annual report on Form 10-K and quarterly reports on Form 10-Q filed with the Securities and Exchange Commission. Such forward-looking statements are made only as of the date of this presentation. Freshpet undertakes no obligation to publicly update or revise any forward-looking statement because of new information, future events or otherwise, except as otherwise required by law. If we do update one or more forward-looking statements, no inference should be made that we will make additional updates with respect to those or other forward-looking statements.

## Non-GAAP Measures

Freshpet uses certain non-GAAP financial measures, including EBITDA, Adjusted EBITDA, Adjusted EBITDA as a % of net sales, Adjusted Gross Profit, Adjusted Gross Profit as a % of net sales (Adjusted Gross Margin), Adjusted SG&A and Adjusted SG&A as a % of net sales. These non-GAAP financial measures should be considered as supplements to GAAP reported measures, should not be considered replacements for, or superior to, GAAP measures and may not be comparable to similarly named measures used by other companies.

Freshpet defines EBITDA as net income (loss) plus interest expense, income tax expense and depreciation and amortization expense, and Adjusted EBITDA as EBITDA plus net income (loss) on equity method investment, plant start-up expense, non-cash share-based compensation, launch expense, fees related to equity offerings of our common stock, implementation and other costs associated with the implementation of an ERP system, and other expenses, including loss on disposal of equipment and COVID-19 expenses.

# Forward Looking Statements & Non-GAAP Measures (cont.)

Freshpet defines Adjusted Gross Profit as gross profit before depreciation expense, plant start-up expense, COVID-19 expenses and non-cash share-based compensation, and Adjusted SG&A as SG&A expenses before depreciation and amortization expense, non-cash share-based compensation, launch expense, gain (loss) on disposal of equipment, fees related to equity offerings of our common stock, implementation and other costs associated with the implementation of an ERP system and COVID-19 expenses.

Management believes that the non-GAAP financial measures are meaningful to investors because they provide a view of the Company with respect to ongoing operating results. Non-GAAP financial measures are shown as supplemental disclosures in this presentation because they are widely used by the investment community for analysis and comparative evaluation. They also provide additional metrics to evaluate the Company's operations and, when considered with both the Company's GAAP results and the reconciliation to the most comparable GAAP measures, provide a more complete understanding of the Company's business than could be obtained absent this disclosure. Adjusted EBITDA is also an important component of internal budgeting and setting management compensation. The non-GAAP measures are not and should not be considered an alternative to the most comparable GAAP measures or any other figure calculated in accordance with GAAP, or as an indicator of operating performance. The Company's calculation of the non-GAAP financial measures may differ from methods used by other companies. Management believes that the non-GAAP measures are important to an understanding of the Company's overall operating results in the periods presented. The non-GAAP financial measures are not recognized in accordance with GAAP and should not be viewed as an alternative to GAAP measures of performance.

Certain of these measures present the Company's guidance for fiscal year 2021. The Company does not provide guidance for the most directly comparable GAAP measure and similarly cannot provide a reconciliation to such measure without unreasonable effort due to the unavailability of reliable estimates for certain items. These items are not within the Company's control and may vary greatly between periods and could significantly impact future financial results.

# Agenda

10:30 a.m.	<b>Long-Term Vision &amp; Business Update</b>	Billy Cyr, CEO
10:45 a.m.	<b>Manufacturing as a Source of Advantage</b> Manufacturing Vision Kitchens 2.0 Upgrades Ennis Advancements	Ricardo Moreno, VP of Manufacturing Michael Hieger, SVP of Engineering Willie Everett, Ennis Site Leader
11:15 a.m.	<b>Inaugural ESG Report</b> Pets. People. Planet. Sustainability Highlights Governance Roadmap	Scott Morris, Co-founder & COO Justin Joyner, Director of Sustainability Billy Cyr, CEO
12:00 noon	<b>Tours of Kitchens 1.0 and 2.0</b>	
1:30 p.m.	<b>Q&amp;A Session with Management over lunch</b>	
2:30 p.m.	<b>Departure</b>	

# On-site health & safety resource



**St. Luke's Occupational Medicine is proud to announce our corporate partnership with Freshpet, Bethlehem on the country's first Athletic Training: Prevention and Wellness Residency!**



This newly pioneered specialty is the culmination of a collaborative effort, combining the disciplines of Athletic Training and Occupational Medicine.

St. Luke's University Health Network is currently seeking accreditation for our new Athletic Training Residency and is not accredited by CAATE. St. Luke's will be submitting a self-study to begin the accreditation process in July 2021.

10500

## TOMAS MONTANEZ—ATHLETIC TRAINER



### CONTACT TOMAS:

▪ E-mail:  
Tomas.Montanez@sluhn.org

**St. Luke's University  
Health Network**

### Tomas can help YOU...

- reduce fatigue & discomfort
- lower risk of injury & illness
- learn proper stretching
- work smarter - not harder
- improve fitness level
- use proper body mechanics
- eliminate dehydration
- attain muscle balance
- lose weight & body fat
- improve lifting techniques
- feel better with more energy

# COVID Safety Plan

Masks



Required of everyone when in the presence of others

Health screening, testing & quarantine



Everyone is screened at the door

Mandatory negative test or vaccination



Required of all visitors

Ventilation



Highest volume circulation system and filtration

Sanitizing



Daily sanitizing of all production areas, bi-weekly deep cleanings, sanitizing spray broadly available

Social Distancing



Indoor and outdoor spaces and capacity limits



Business Update



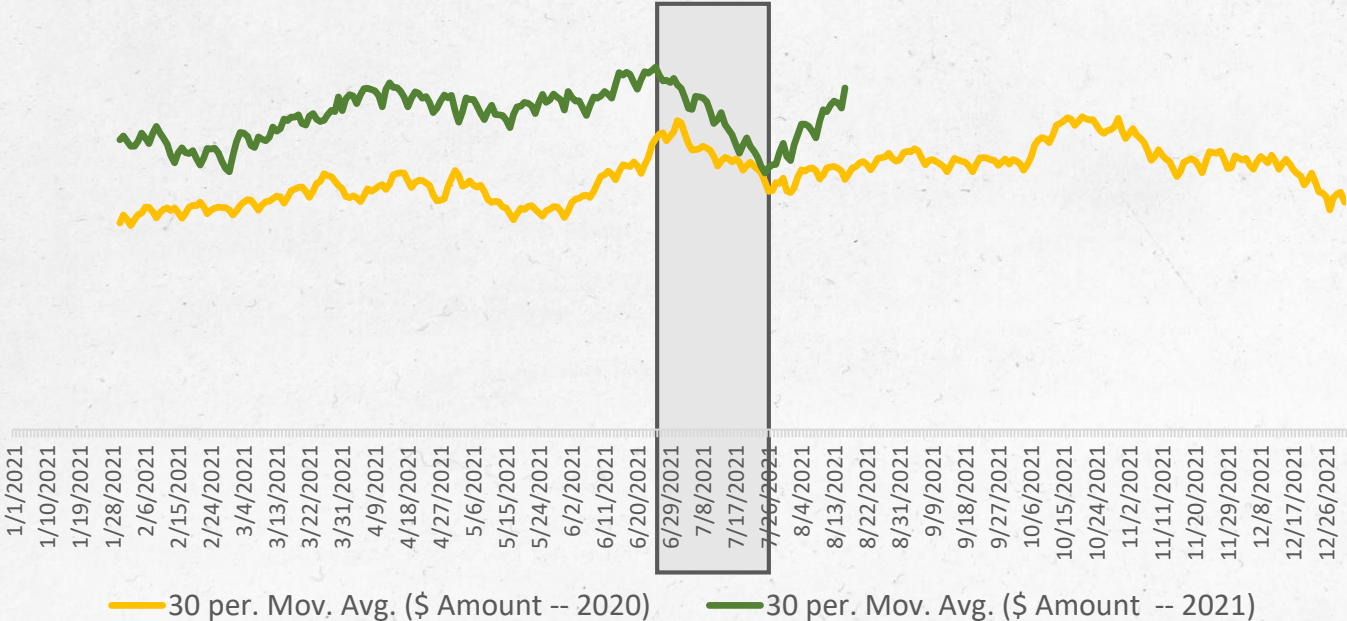
# Four key questions we have heard

- What happened to the Nielsen's in July?
- When will Freshpet's consumption growth re-accelerate?
- Are Freshpet capacity expansion plans on track?
- When will the margins (both adj. gross margin and adj. EBITDA margin) recover?

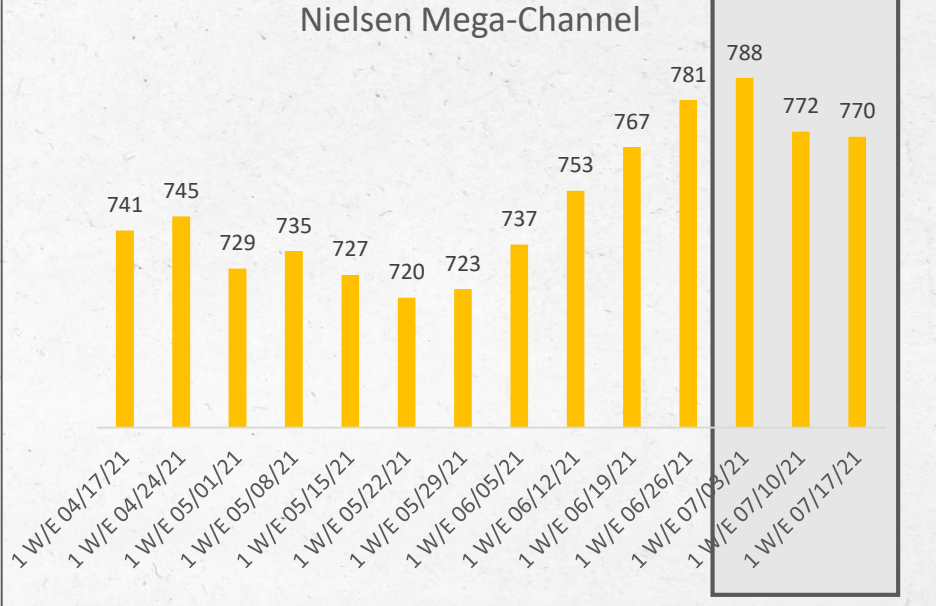
# Shipping constraints created by labor shortage at 3<sup>rd</sup> party warehouse eased at the end of July

Short-term labor issues at our 3<sup>rd</sup> party warehouse constrained shipments in early-mid July – increasing out-of-stocks and reducing consumption. Staffing and shipments were restored by the end of July. Retail condition improvements will lag shipment improvements by 2-3 weeks.

2021 vs. 2020: Rolling 30 Day Average Daily Gross Sales

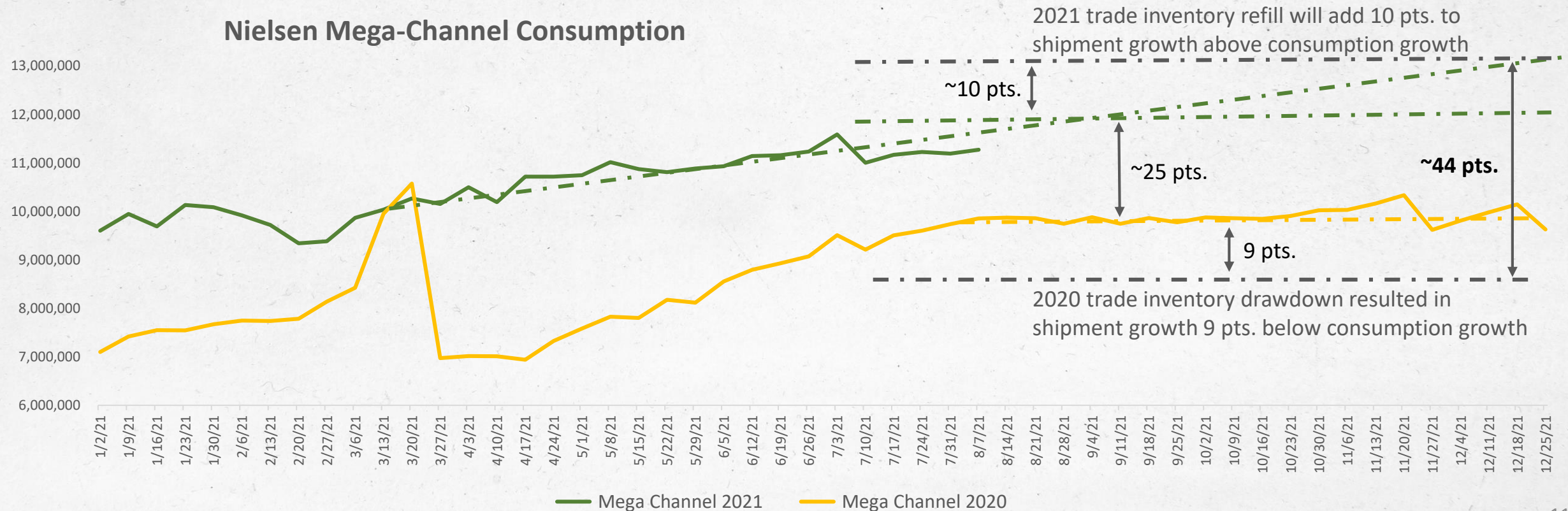


Freshpet Total Distribution Points (TDP's)



# When will Freshpet's consumption growth re-accelerate?

The YA consumption went flat beginning the week of August 8th due to short shipments and out-of-stocks. This year's consumption will continue to grow through the balance of the year due to significant production increases and continuous media support. This is expected to drive 44% shipment growth over the back half.

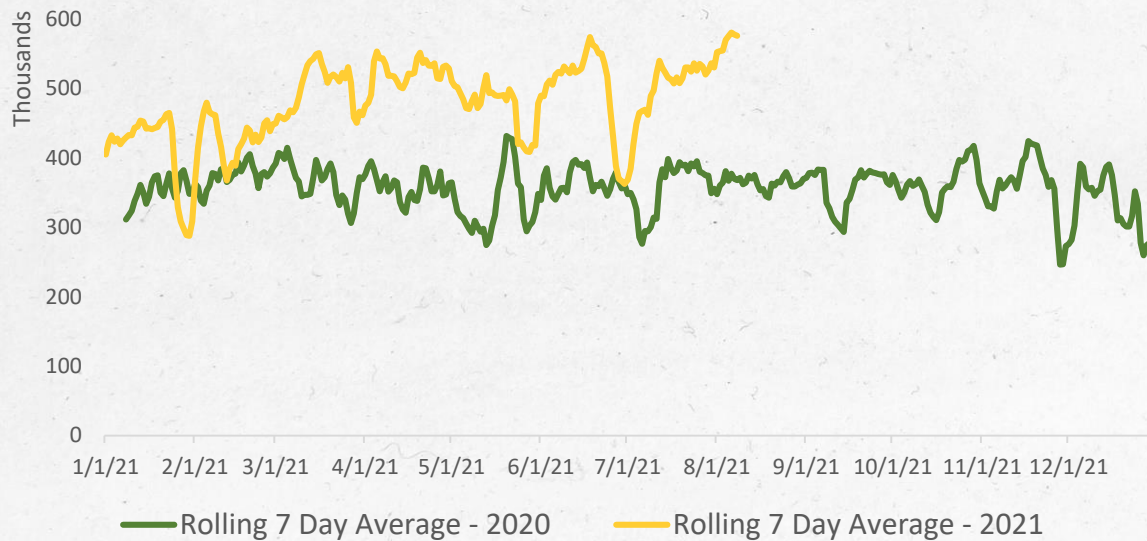


# Are Freshpet's capacity plans on track?

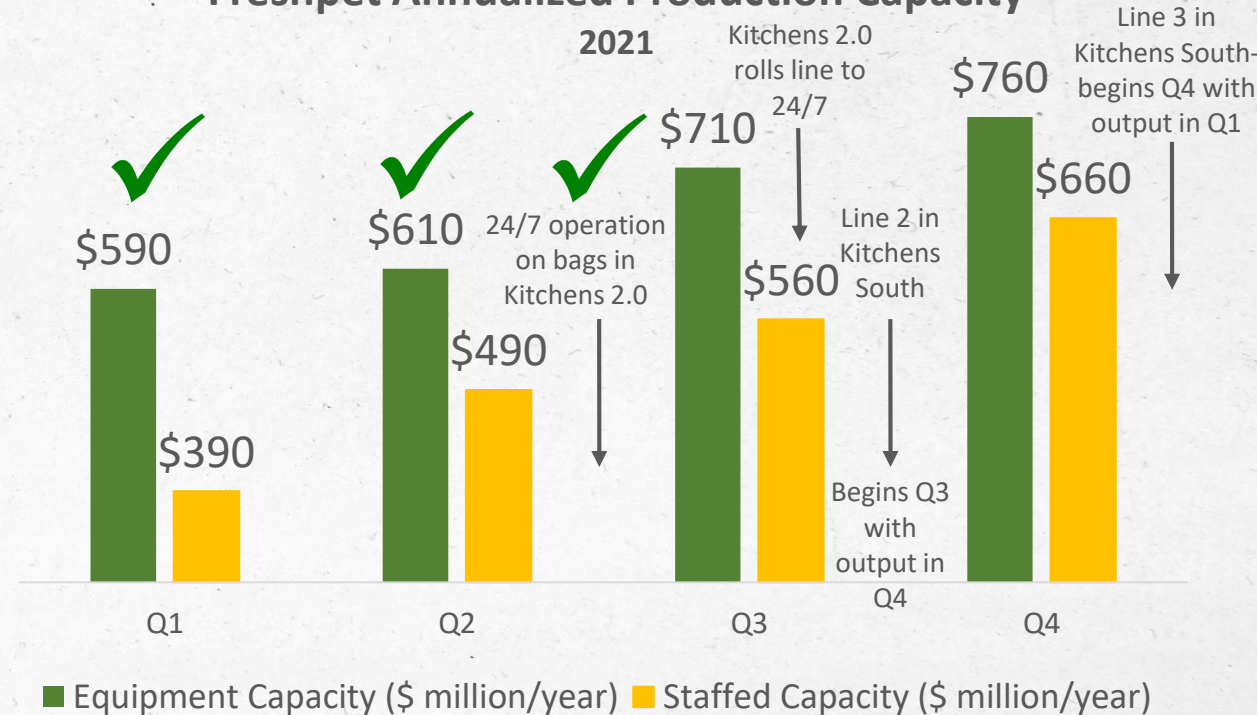
Production continues to run >40% ahead of YA and is accelerating – with August production +50% vs. YA to date and running at >\$525 million annualized run rate.

## 2021 vs. 2020 Production Performance Comparison

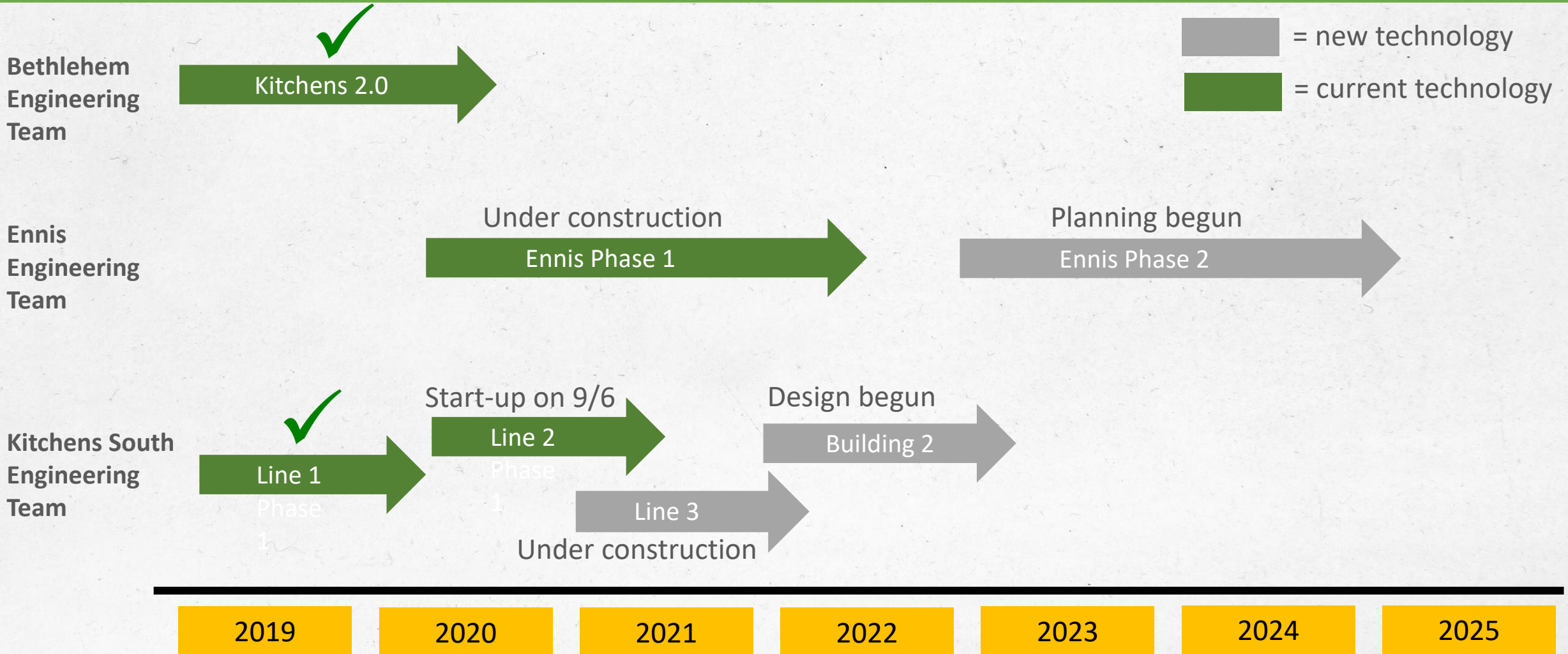
Rolling 7-Day Average Pounds Produced



## Freshpet Annualized Production Capacity



# Key projects remain on track








# When will the margins recover?

## Key drivers of margin improvement:

- **Price increase effective with orders beginning on 11/29/21**
  - Expected to fully offset ingredient, packing materials, labor and freight inflation on a dollar basis
  - Incremental efficiencies will neutralize inflation on a margin basis over time
- **New ERP system launch planned for November**
  - Will eliminate 200 bps of temporary freight inefficiencies when fully implemented
- **Labor strategy will reduce temporary operating inefficiencies**
  - More skilled labor should drive operating improvements during H1 of 2022
- **Volume from Ennis will have start-up costs and be sub-scale in 2022 and 1H 2023**

# Margin drivers over time

Strategic Initiatives & Investments			Near Term		→	Freshpet at Scale
			Inflation	Efficiency & Mix		
Price Strategy		price increase effective 11/29/21	+			
Ingredients		investment in R&D	-	+		+
Operating Efficiency		investment in skilled labor	-	+		+
		investment in quality		+		+
Capacity Growth		new technology		+		++
		kitchens south & bags mix		-		-
Freight		new ERP system and scale	-	+		++

# On track to deliver our long-term goals

	FY20 Base	building our foundation	Today	investments in profitable growth	\$1.25B Capacity	...	\$2B Capacity
	<i>actual</i>		<i>projected</i>		<i>projected</i>		<i>projected</i>
<b>Net Sales</b>	<b>\$319M</b>		<b>\$445M</b>		<b>\$1.25B</b>		<b>\$2B</b>
<b>Adjusted Gross Margin</b>	48.3%	- Temporary operating inefficiencies and growing into capacity	→	+ Higher speed lines and operational - Kitchens South and bags mix	~49%		> 51%
<b>Adjusted SG&amp;A</b>	33.6%	- Temporary logistics inefficiencies + Adjusted SG&A leverage	→	+ New ERP system + Adjusted SG&A leverage	~24%		< 24%
<b>Adjusted EBITDA Margin</b>	<b>14.7%</b>		<b>~13.7%</b>		<b>~25%</b>		<b>&gt; 25%</b>





Long-Term Vision

# Brands that changed the world

- Changed things we do everyday
- Reflected significant changes in society's values and priorities
- Leveraged technology to make the previously impossible possible or more broadly available

The Amazon logo, featuring the word "amazon" in a lowercase, sans-serif font with a curved orange arrow underneath it.

# Mission: Awaken the world to a better way to nourish our pets



# Zoeyia (Zoo-ey-ah)

The positive benefits to human health from interacting with animals



Immune  
System  
Development



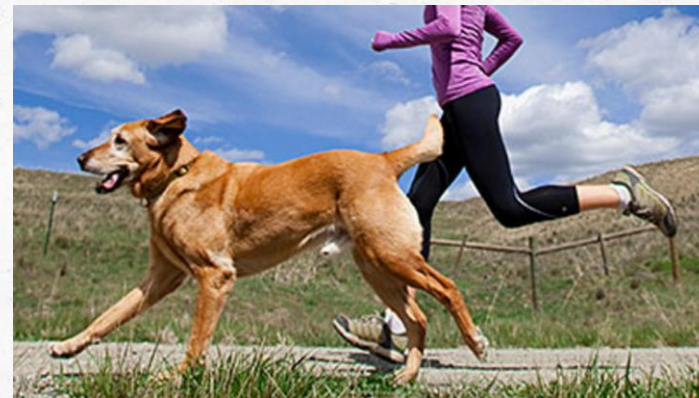
Psycho-Social  
Development



Support  
Coping &  
Recovery

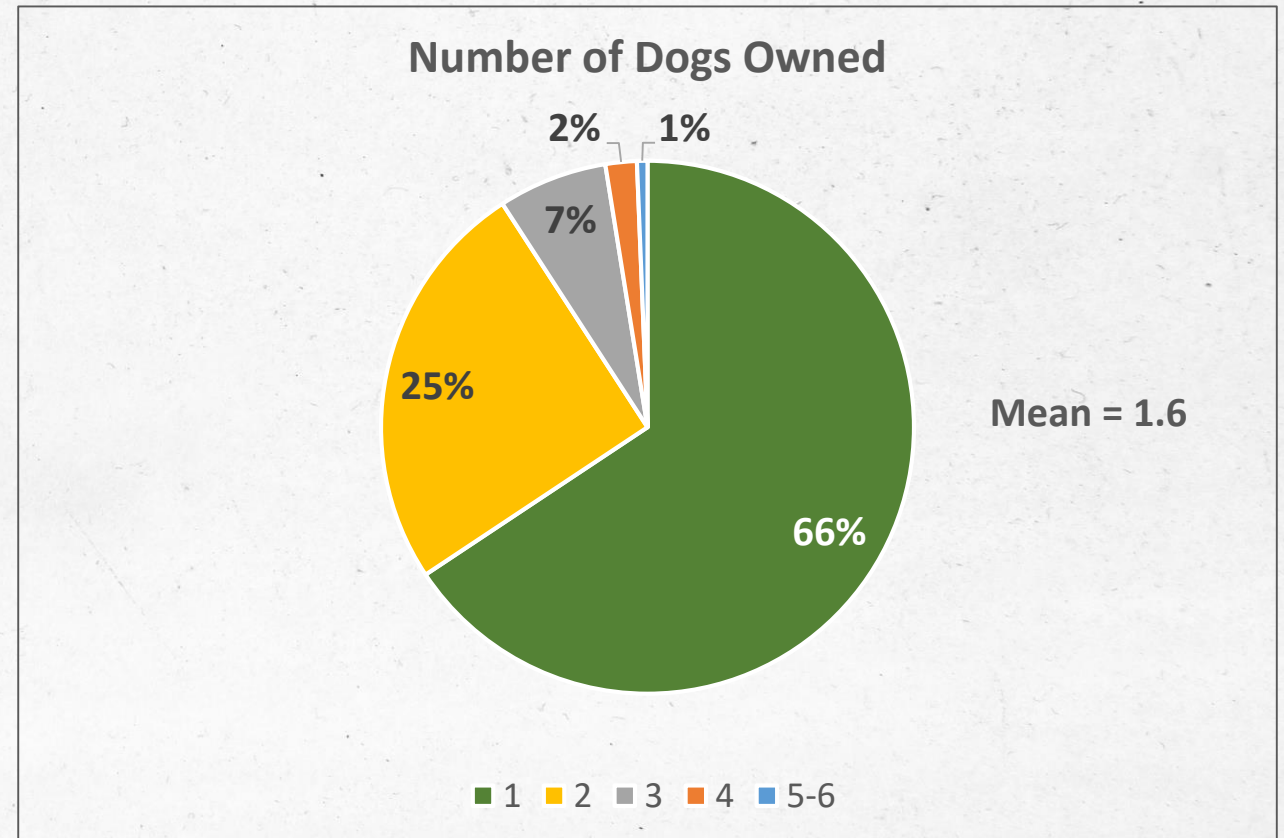
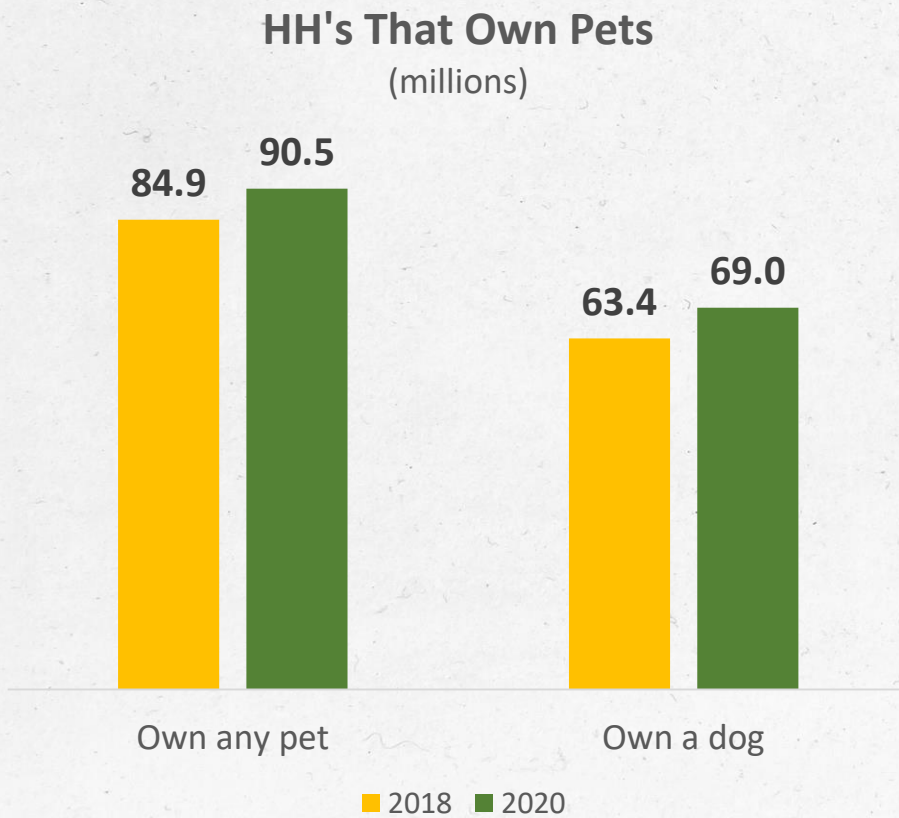


Catalyze  
Social  
Interactions



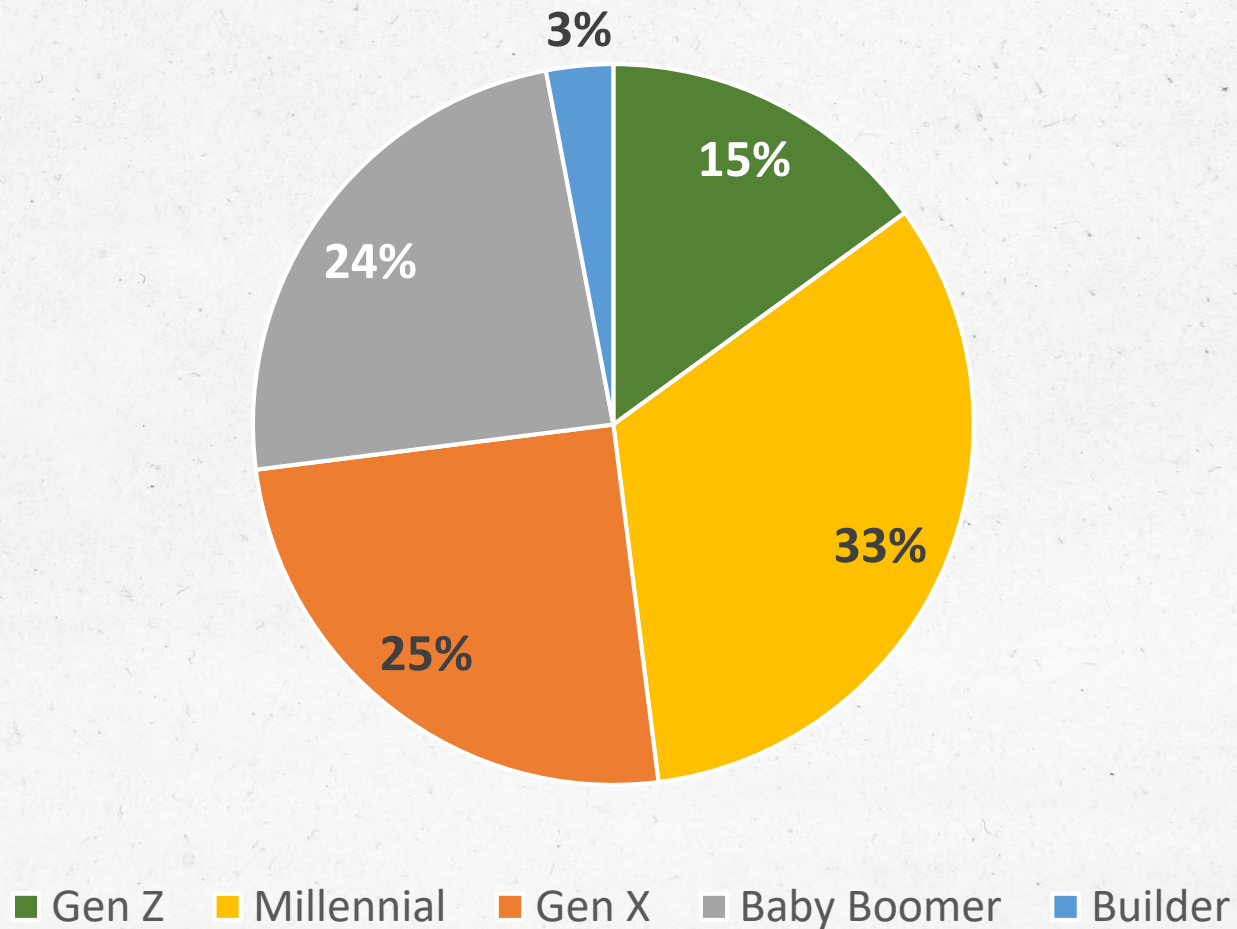
Motivate  
Regular  
Exercise

# Dog ownership is growing



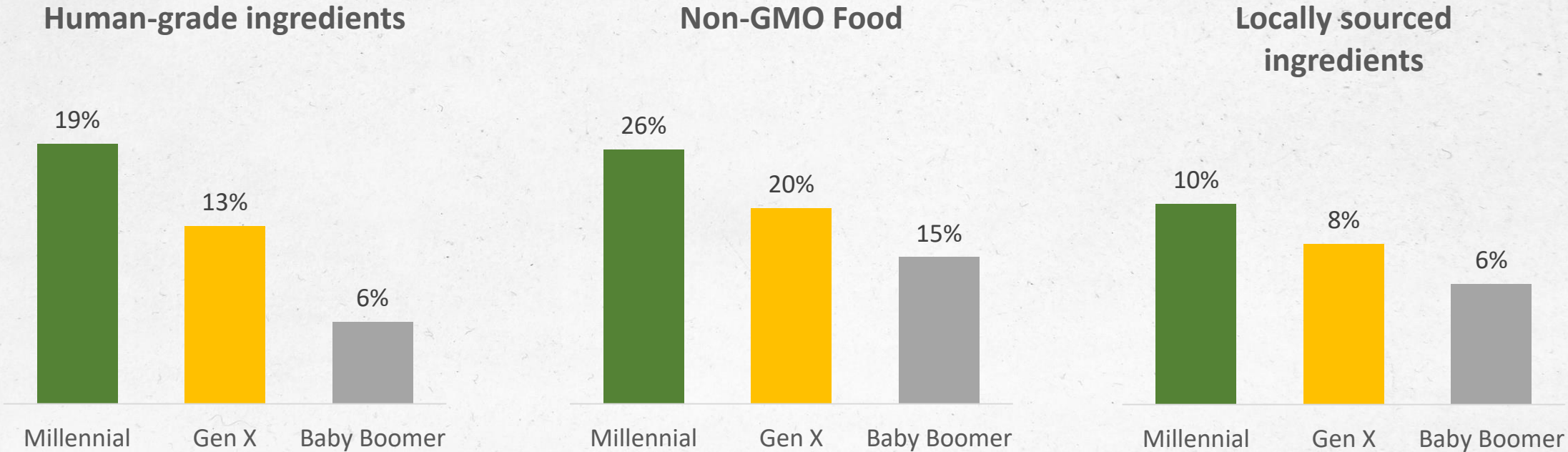
# Millennials: Largest share of the dog food market today

**Dog Ownership by Generation (2020)**



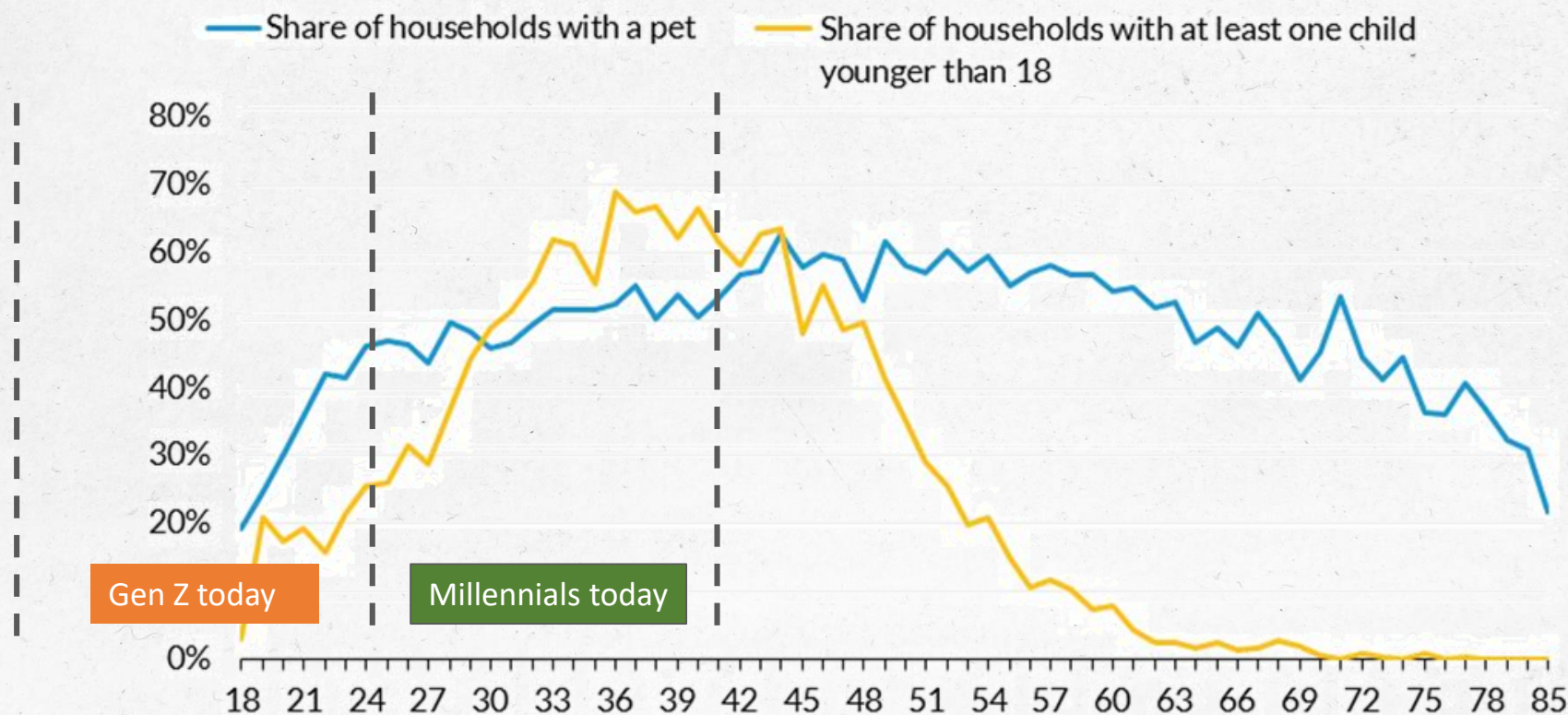
# Millennials are seeking pet foods like Freshpet

## Purchased pet food with these attributes:



# Share of Millennial HH's with a pet will plateau in a few years – while GenZ will be on the rapid rise for the next decade

## Having Children versus Owning a Pet, by Age



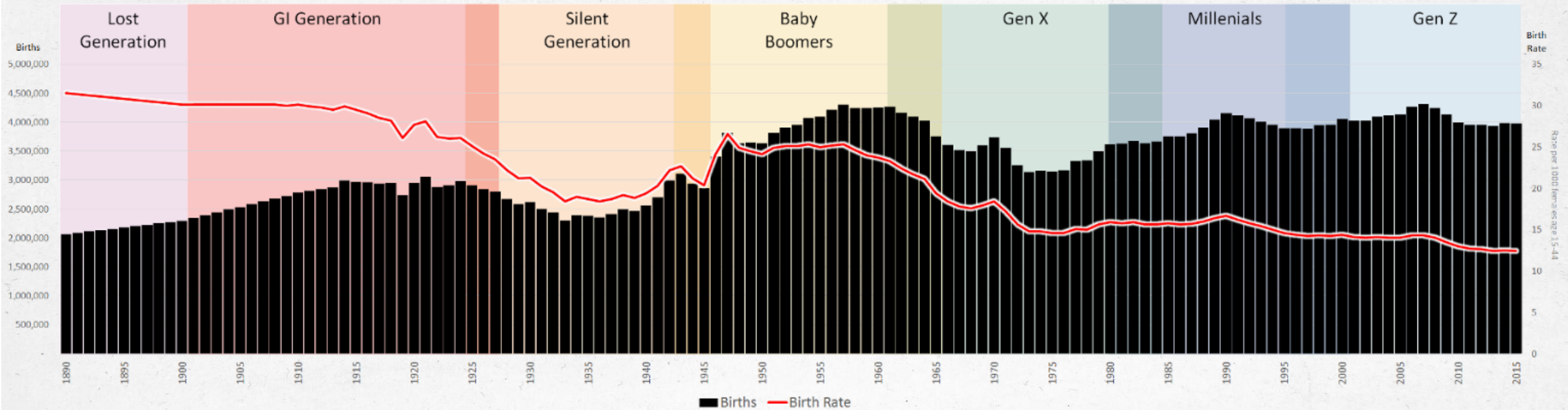
Source: 2017 American Housing Survey.

URBAN INSTITUTE



~4 million Gen Z'ers are entering adulthood each year for the next decade – and having fewer kids

US Generations' Births & Birth Rates 1890 - 2015

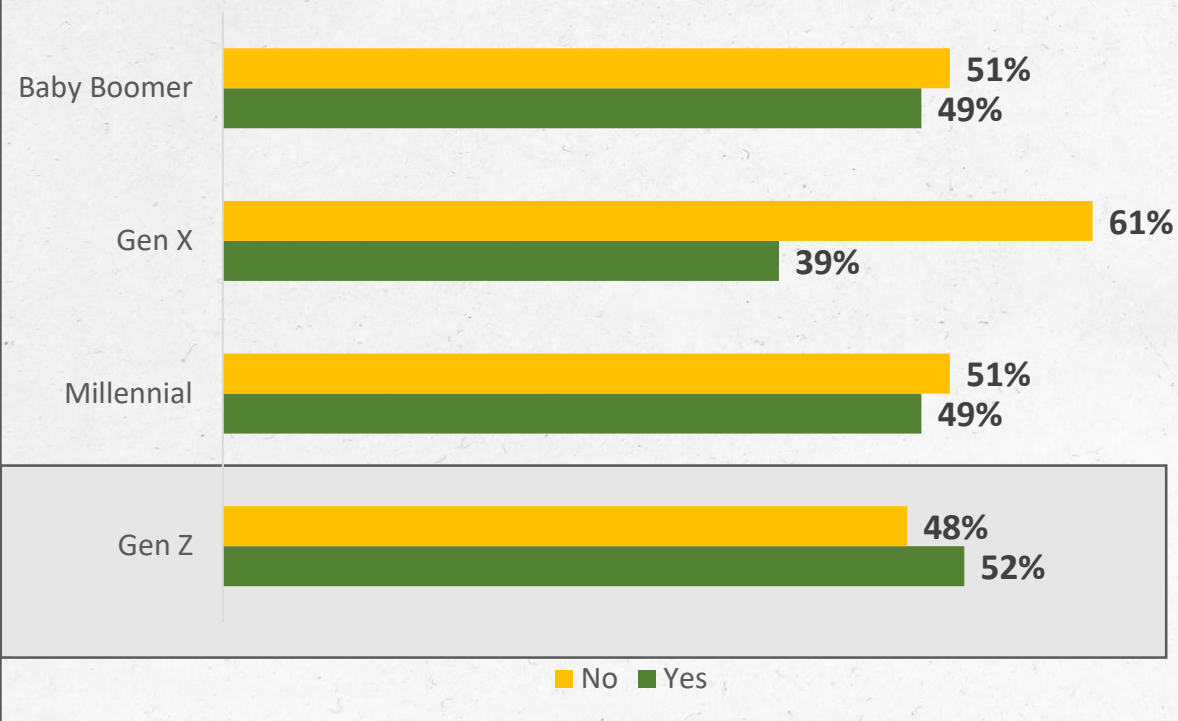


Source: Centers for Disease Control, US Census Bureau, Wikipedia, InfoPlease  
Figures for years 1891-1899, 1901-1909 are linear estimates

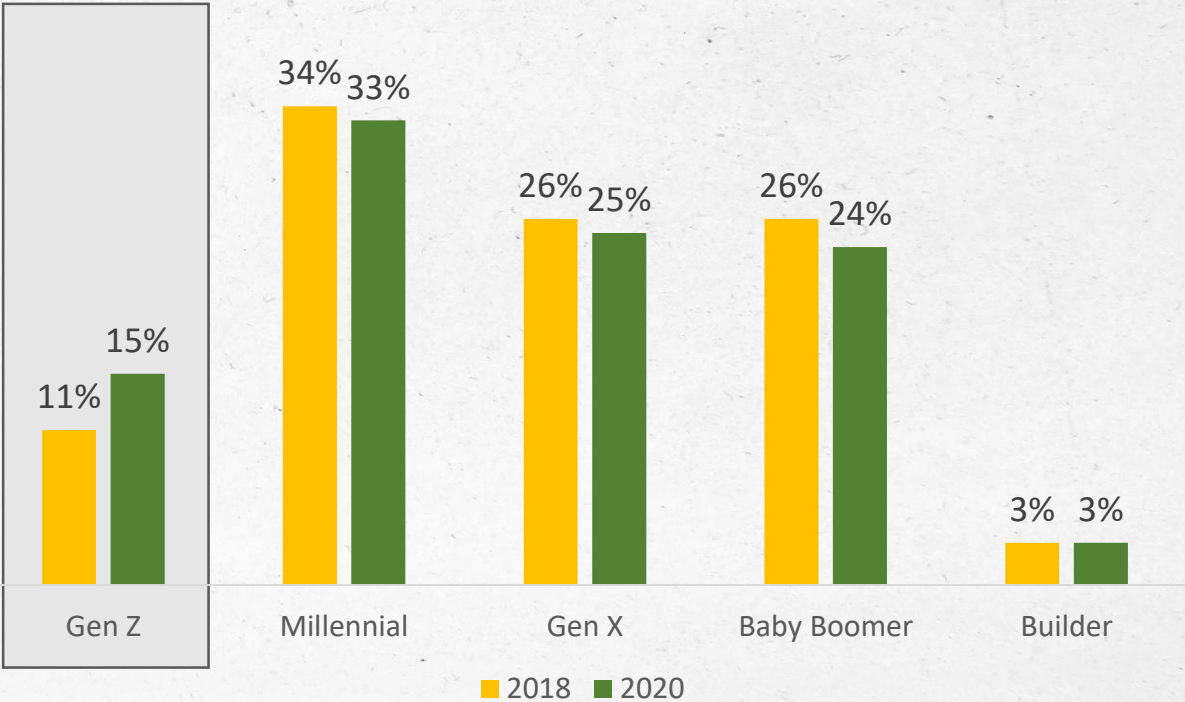
60% of Gen Z 11 to 17-year-olds have a dog in their household

# Gen Z is a growing segment of the pet market

**COVID Influenced Decision to Adopt Dog**  
(amongst those who have been a dog owner < 1 year)

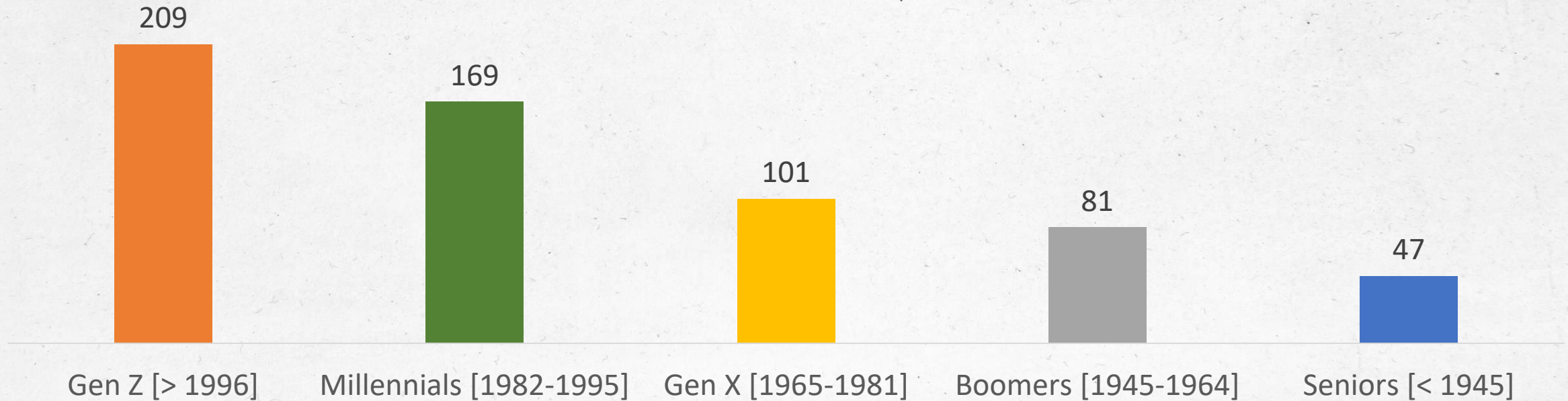


**% of Dog Ownership by Generation**



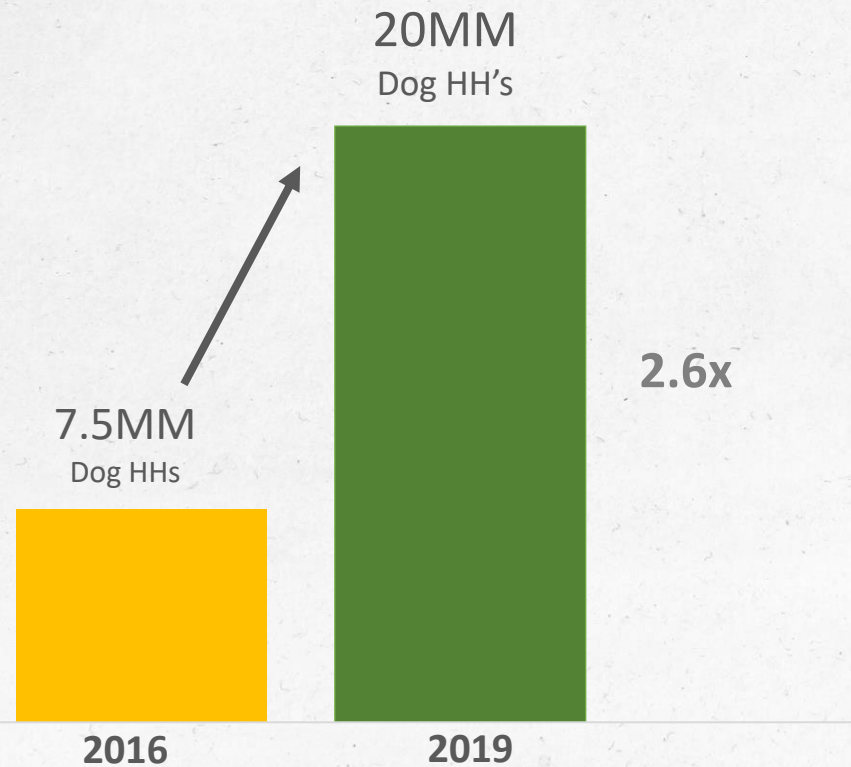
# GenZ is choosing Freshpet even more than previous generations

**Freshpet Latest 12 Month New Buyers**  
(Index vs. Share of Existing 12 Month Buyers)



# Freshpet's Prime Prospects = ~30% of dog HH's and growing; the values of Prime Prospects are the values of the next generation

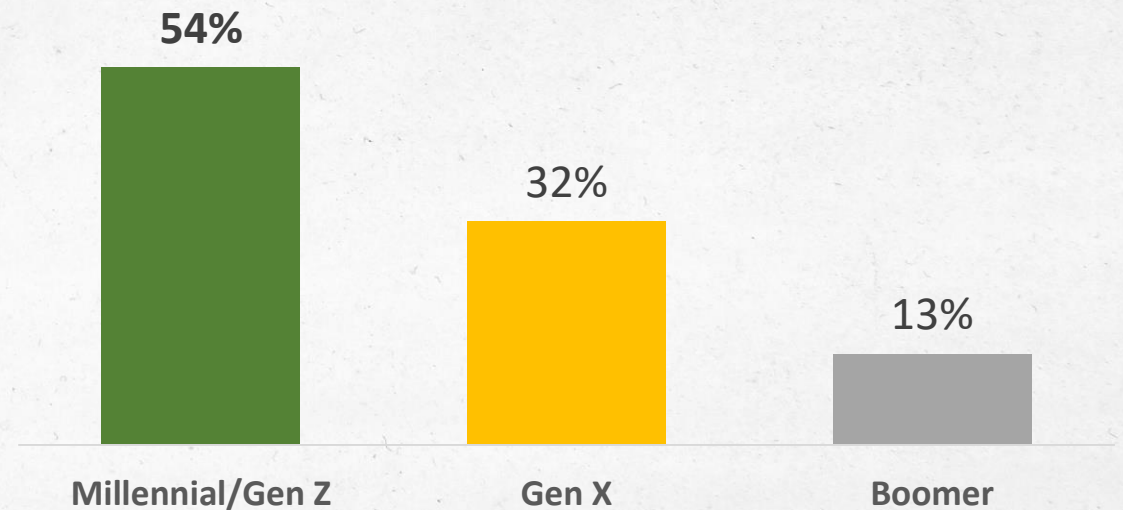
## Prime Prospects



**Prime Prospects are dog food buyers who share similar values to current Freshpet buyers on factors such as:**

- Importance of fresh, natural and preservative-free foods
- Willing to sacrifice their needs to make their dog happy
- Made with humanely sourced and sustainable ingredients
- Willing to pay a premium for good food

## % of Prime Prospects by Generation



# Brands that changed the world



# “Feed the Growth” creates scale and leverage through accelerated growth rate



# Marketing model delivers strong HH unit economics

## Marketing Model



**Media Investment**



**Freshpet HH**

*Customer Acquisition Cost = ~\$50*



**Loyal User**

*Avg. Annual Buying Rate = ~\$130*

## Lifetime Value

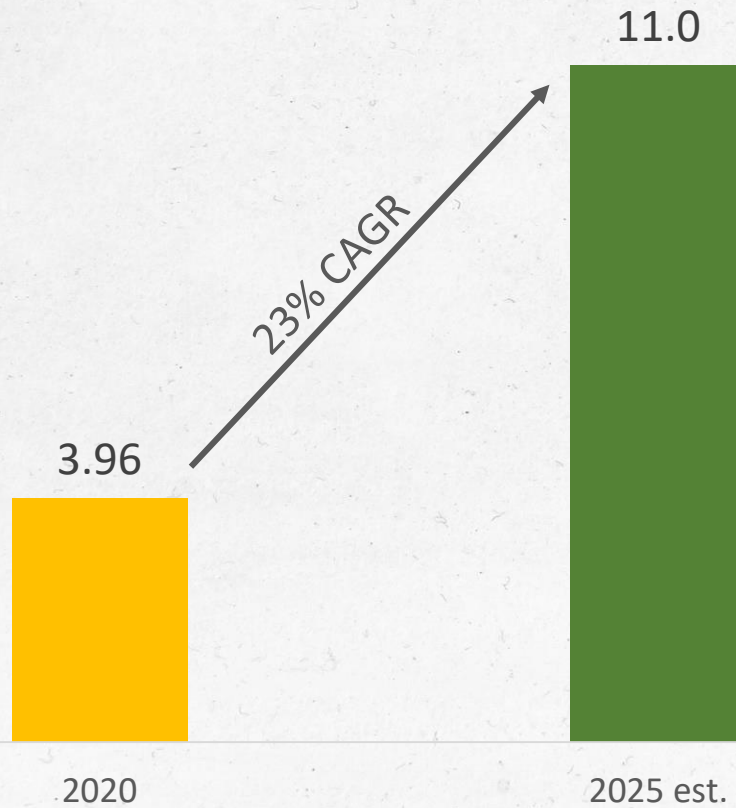
- Avg. Annual Purchases: \$130
- Life expectancy\*: 8 years
- Lifetime purchases: \$1,040
- Contribution (@40%): \$416
- Marketing Inv. (CAC): \$50
- Fridge Investment \$20
- Return: \$346

**+ Next dog's consumption (>90% feed Freshpet)**

\*Remaining life expectancy. Avg. age of Freshpet dog = 4 years. Avg. life expectancy of dog = 10-13 years.

# 2025 Goals: Continuing HH penetration and buying rate gains at same rate as 2020

Total HH Penetration (millions)



Buying Rate (\$/HH/Year)





# 2025 Target: Net Sales of \$1.25 billion with 25% Adj. EBITDA margin

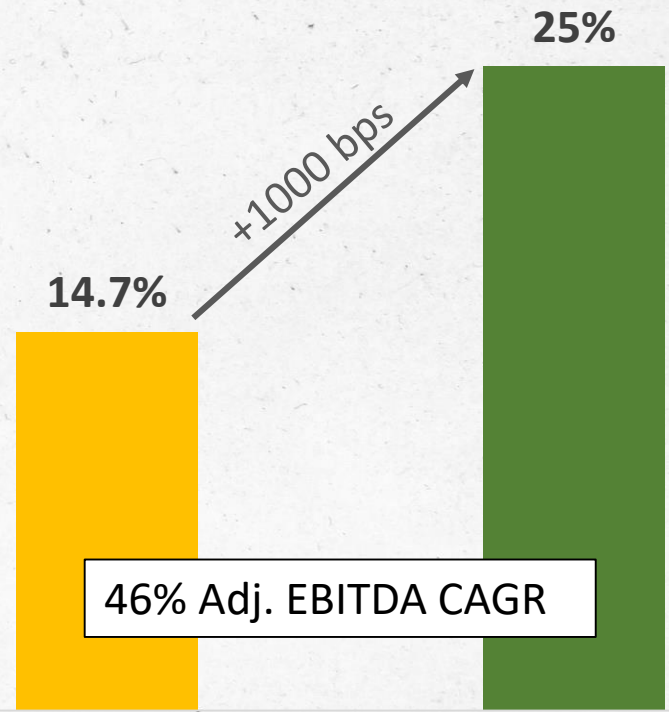
**2025 Net Sales Target**  
(\$ millions)



2020 Actual

2025 Target

**2025 Adj. EBITDA Margin Target**



2020 Adj. EBITDA Margin  
(Actual)

2025 Adj. EBITDA Margin  
Target

# Fortified business model that provides strong competitive insulation

Diverse line-up that is difficult to match

**Differentiated**  
Innovative forms, technologies, and appearance



**Manufacturing**  
Proprietary technology, processes, and infrastructure



\$~2.0 billion capacity

**High Brand Loyalty**  
Alignment with deep pet parent emotional motivations



**Supply Chain**  
Only refrigerated pet food network in North America



Significant scale in distribution



11 mm HH's

40,000 Fridges

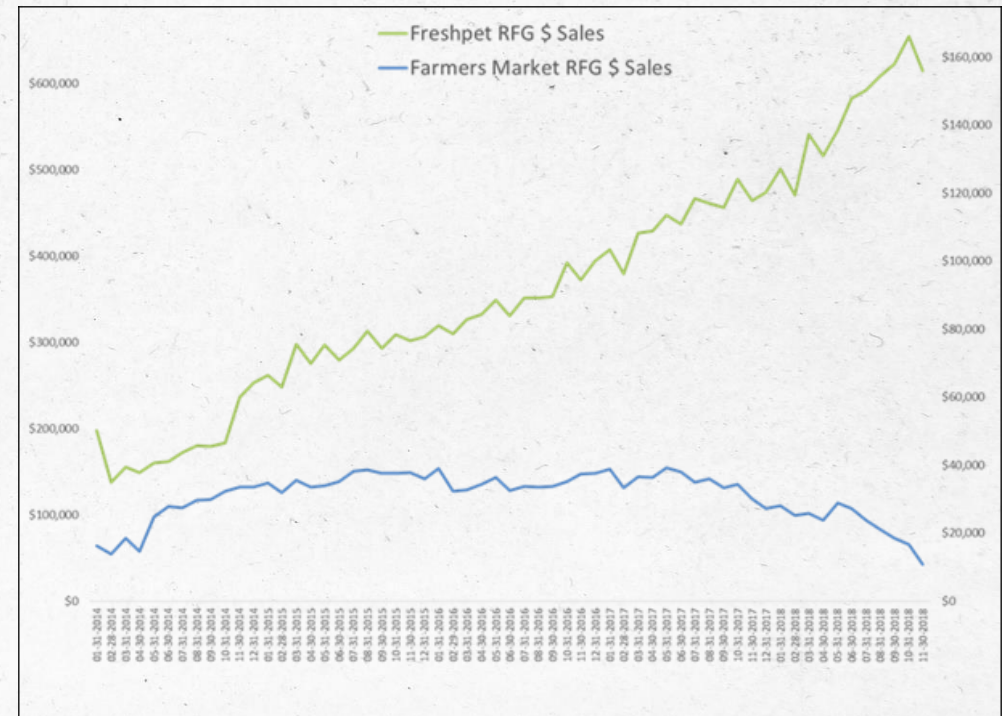
**Freshpet Fridge**  
Branded, company-owned real estate



**Retailer Partners**  
Delivers benefits in traffic, frequency and retailer margins

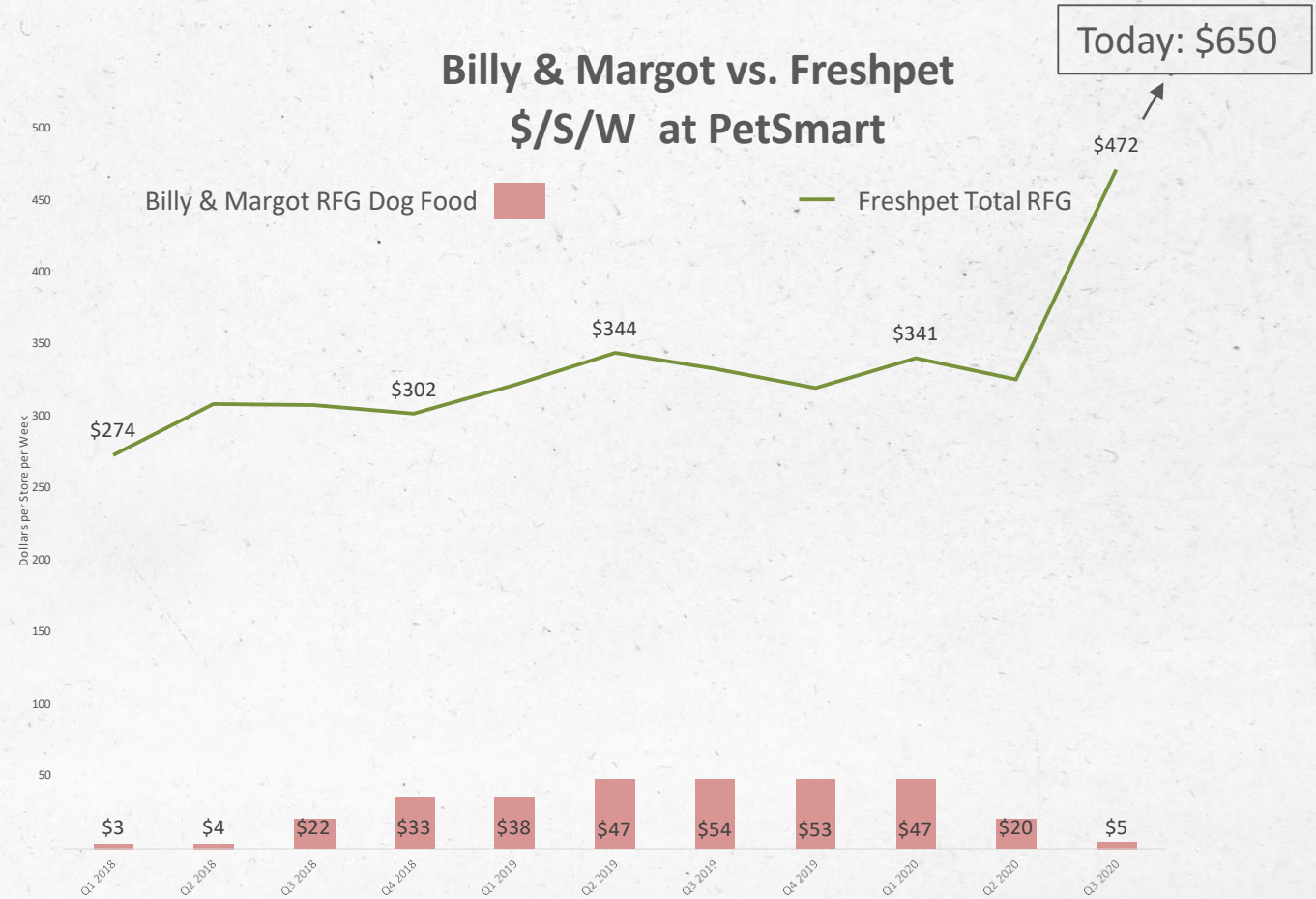
~75-80% ACV

# Even the category creators from Australia did not succeed with Farmer's Market at HEB



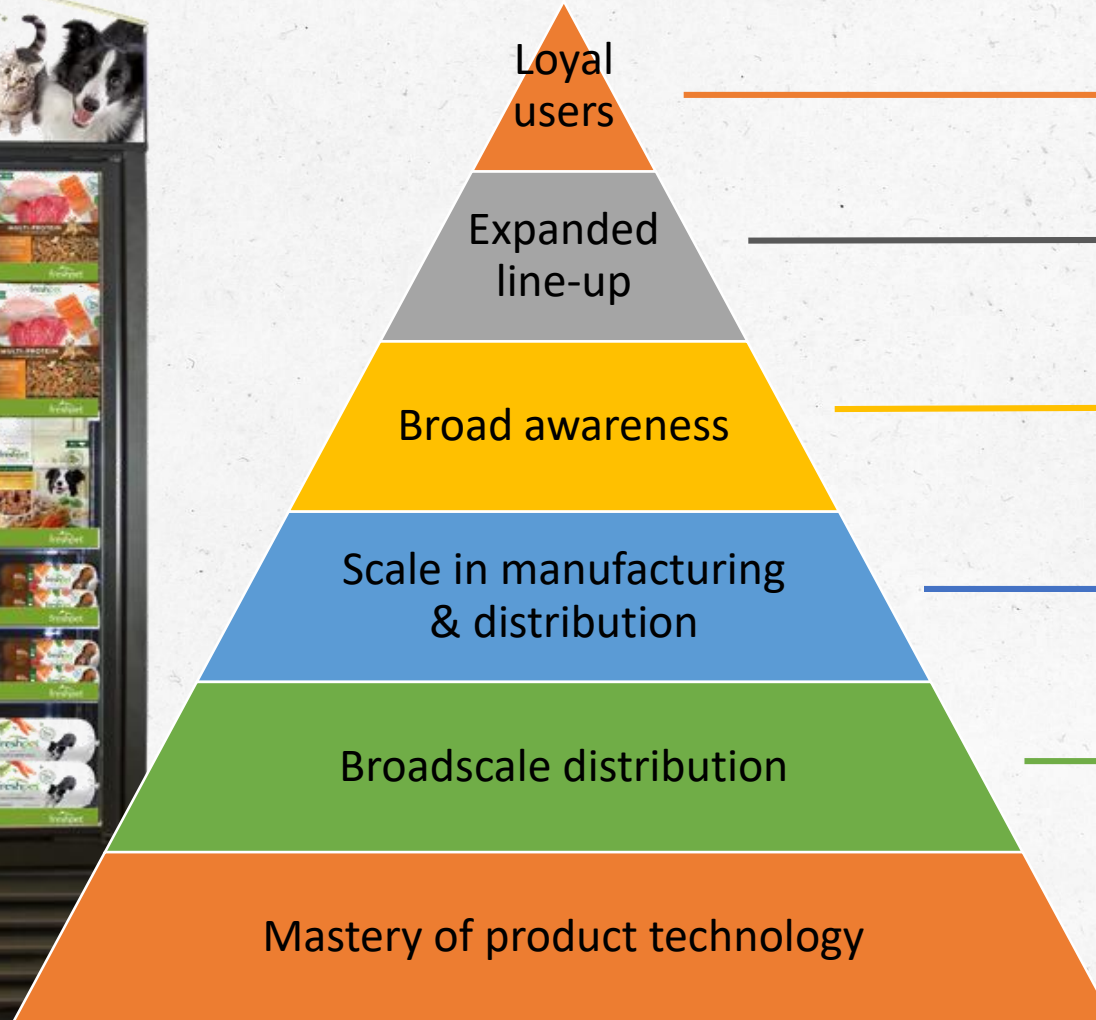
They came from Australia with all the expertise of someone who created the category. We outsold them 7:1. They exited 4 years later.

# Later they failed as Billy & Margot at PetSmart



They came and went in about a year . . . and we bought their fridges

# Operational scale and mastery leads to a preferred offering and loyal franchise



Loyal users

70% repeat rate and growing buying rate

Expanded line-up

3 primary forms and expanding line-up tailored to more needs

Broad awareness

>\$100 million in advertising spent over a decade and growing

Scale in manufacturing & distribution

>\$500 million in production assets and increasing scale in distribution

Broadscale distribution

>\$110 million of Fridges in >22,700 stores and a service network to support them

Mastery of product technology

Delivers exceptional taste & nutrition with extended shelf life

# Brands that changed the world

- ✓ • Changed things we do everyday
- ✓ • Reflected significant changes in society's values and priorities
- Leveraged technology to make the previously impossible possible or more broadly available

amazon

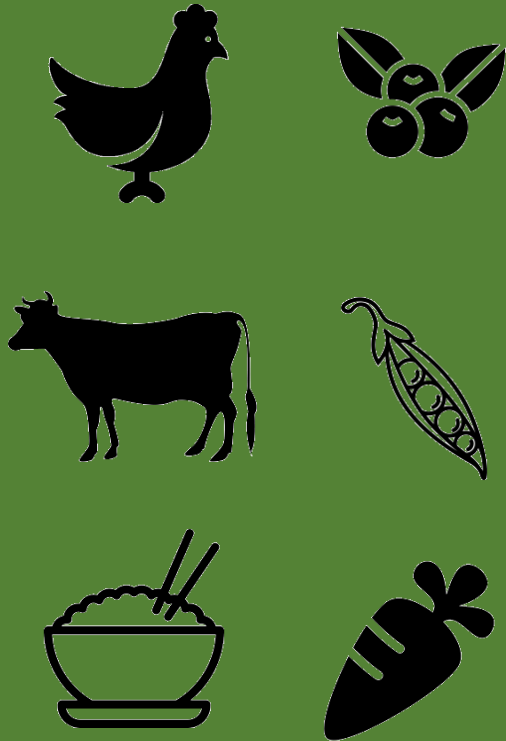


# Freshpet Kitchens Magic

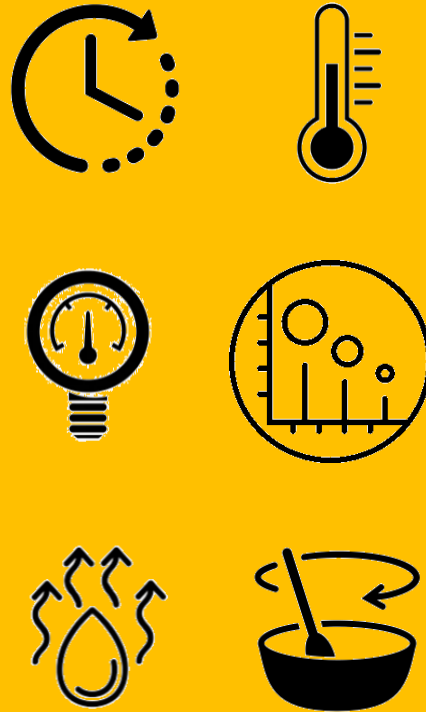
Start Very Clean



Add Fresh, Frozen & Dry Ingredients



Mix in Cooking Expertise



Package It Just Right



To Become Delicious & Nutritious



And Get Happy & Healthy Dogs



Do it all in a way that is good for Pets. People. Planet.

# By the end of today, you will understand how we. . .



Deliver outstanding nutrition that delights pets through our mastery of the **cooking process**



Deliver consistently outstanding quality through the increased use of **automation**



Use best-in-class **sanitation and product protection practices** to deliver outstanding quality without the use of artificial preservatives -- and how we can continue to improve those practices



Are using higher speed equipment to **increase throughput** that enables us to keep costs down and reduce labor intensity



Are continually seeking ways to make Freshpet more **environmentally sustainable**



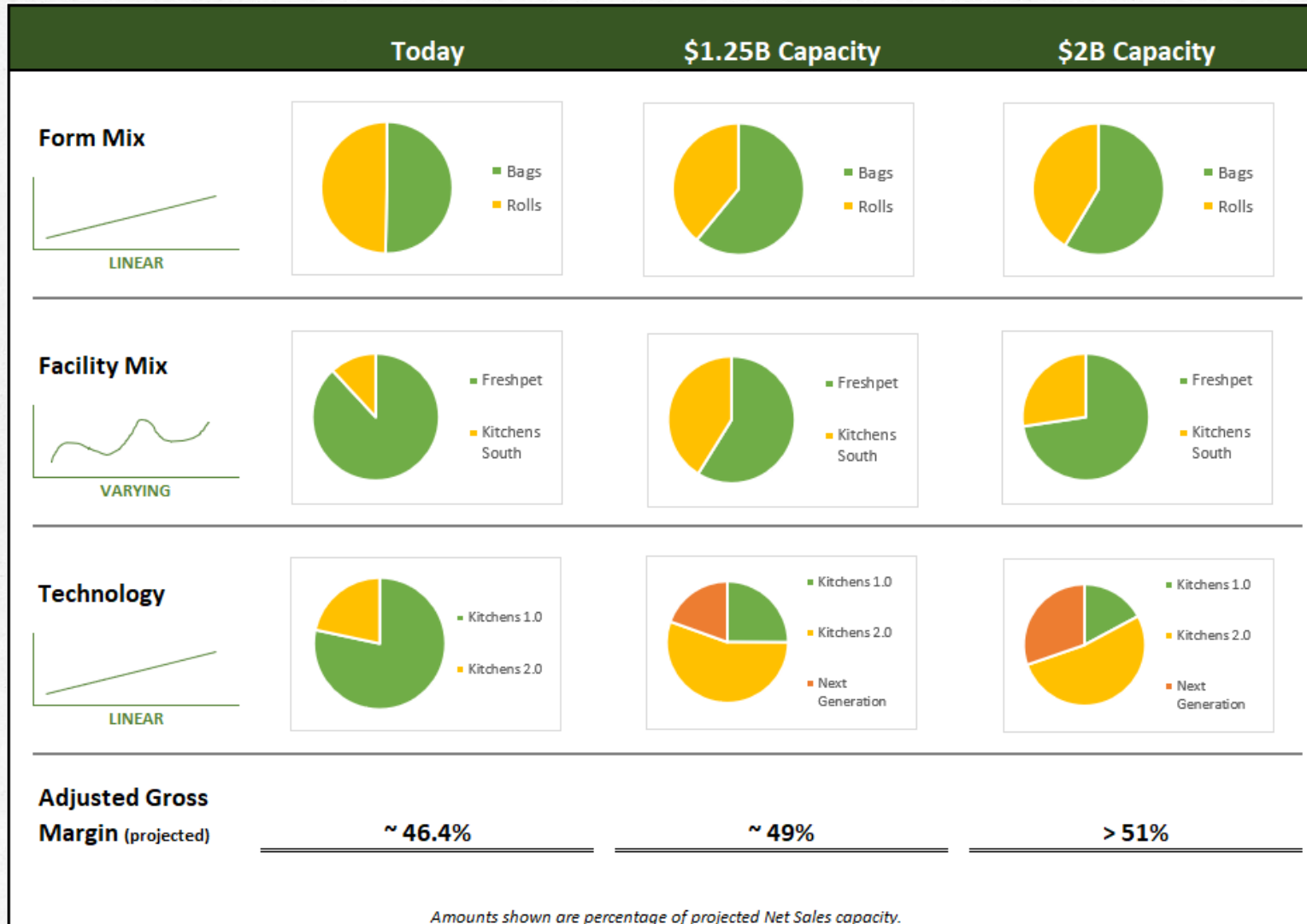
Are continuing to **invest in R&D to increase our mastery** – driving further improvements in quality, cost, reliability, and workplace safety



Invest in -- and care for -- our **people**



# Manufacturing technology can drive margin improvement





Manufacturing Vision

# Our manufacturing journey



Quakertown, PA

2006-2013

Kitchens 1.0  
Bethlehem, PA

2013

Kitchens 1.0 Expansion  
Bethlehem, PA

2016

Kitchens 2.0  
Bethlehem, PA  
+  
Kitchens South

2020

Kitchens 3.0  
Ennis, TX

2022

Kitchens South  
Building 2  
2023

# Enabled innovation



2006



2010



2015



2018

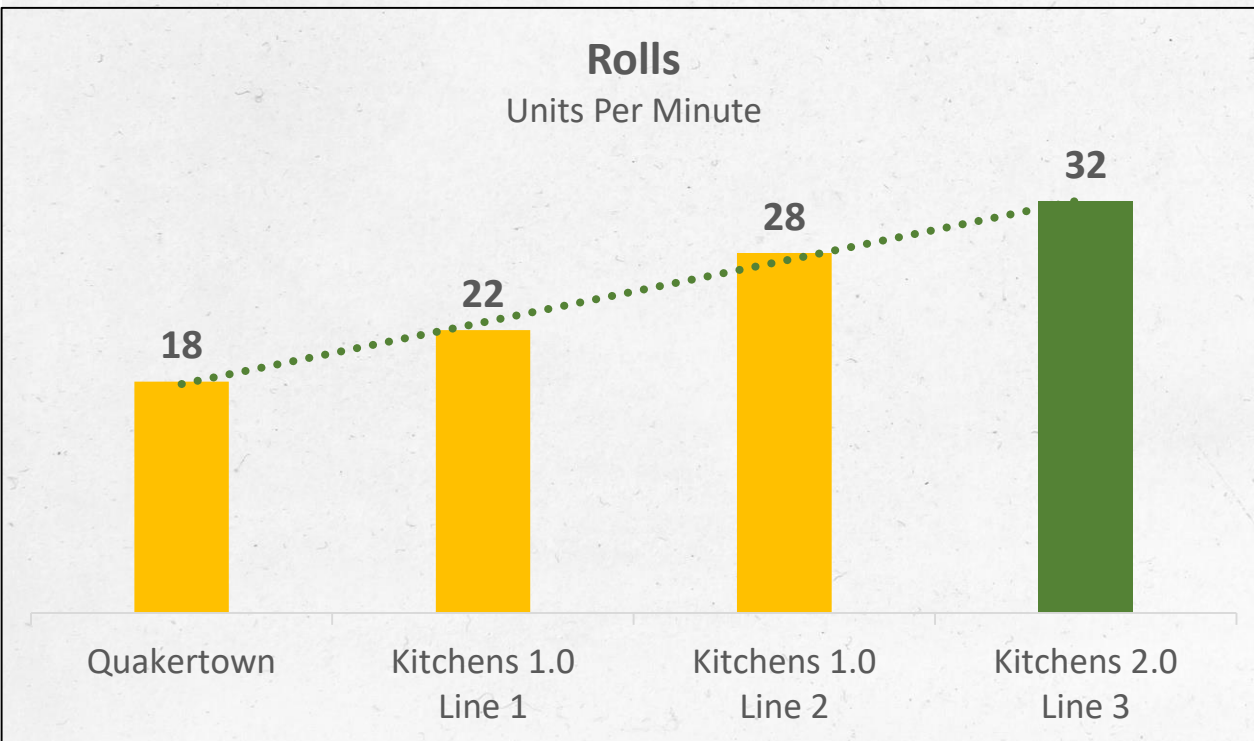
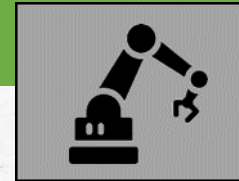


2020



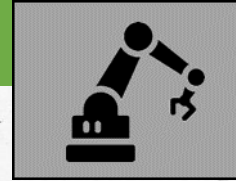
2021

# Increased speed and throughput



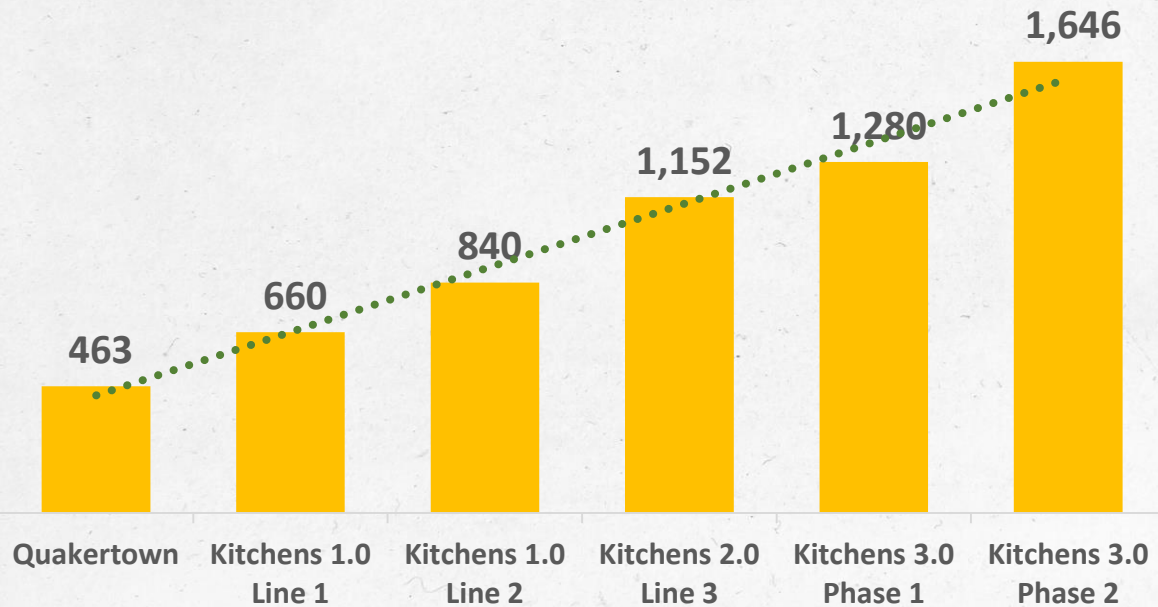
*\*Reflective of one representative large packaging SKU and not the full SKU mix of the business*

# Increased efficiency



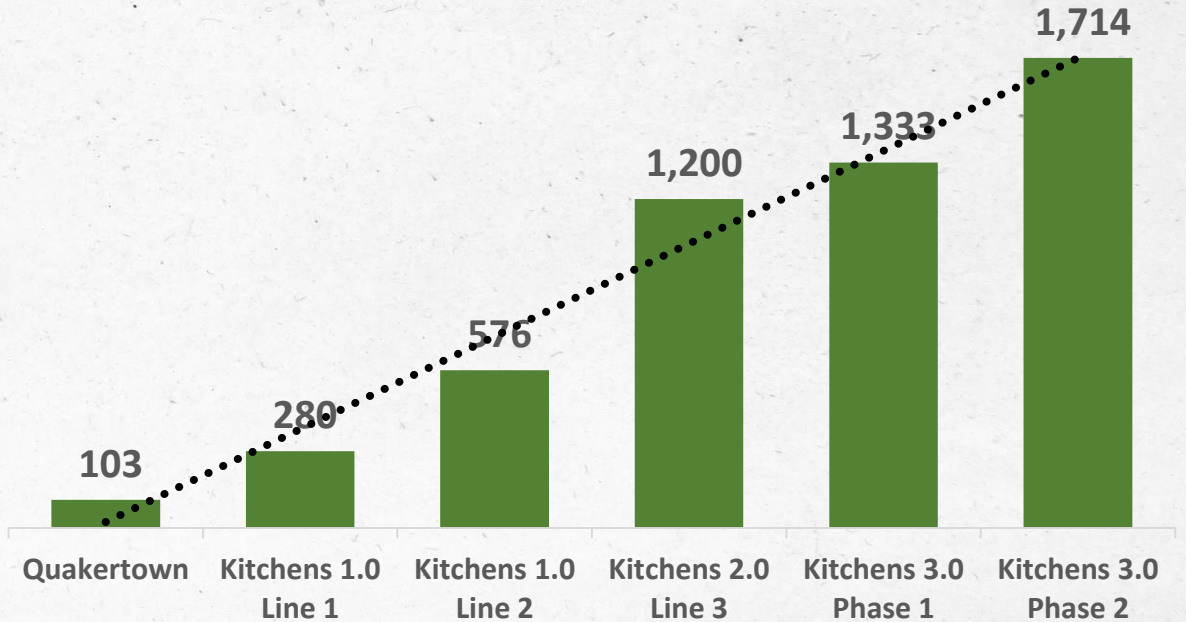
## Labor Efficiency: Rolls Line

Pounds / Team Member / Hour



## Labor Efficiency: Bags

Pounds / Team Member / Hour



# Enhanced our team member experience



2014  
2016

- ❑ Expanded benefits in the Kitchens: free employee meals and gym membership

2017

- ❑ Founders Club created
- ❑ Transition to 24/7 schedule started

2018

- ❑ Behavioral safety program launched
- ❑ Single-serve operations started
- ❑ Freshpet Academy developed: career progression

2019

- ❑ Ownership Matters Equity program for hourly Team Members launched
- ❑ TWI training program launched

2020

- ❑ St Luke's On-Site Industrial Athletic Trainer program launched
- ❑ Freshpet Innovation Center opened

2021

- ❑ Increased compensation to drive increased skills
- ❑ Freshpet Academy refreshed: acceleration strategy for Team Members progression
- ❑ St Luke's Prevention & Wellness Residency accreditation process



# Expanded employment



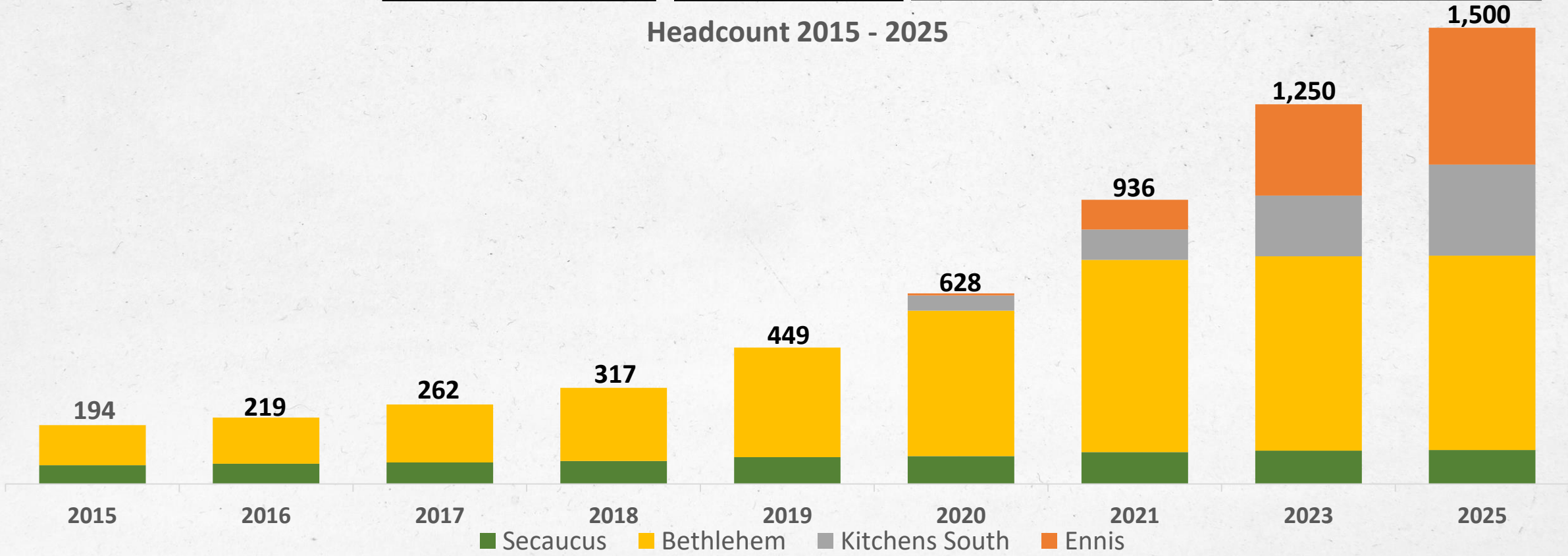
**2017-2018:**  
Ramp up of Roasted Meals in Kitchens 1.0

**2019-2020:**  
Ramp up of Rolls in Kitchens 1.0

**2020-2021:**  
Commissioning and ramp up of Kitchens South and Kitchens 2.0

**2022-2025:** Commissioning and ramp up of Kitchens 3.0 and expansion of Kitchens South

Headcount 2015 - 2025

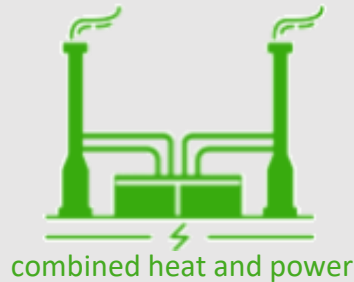
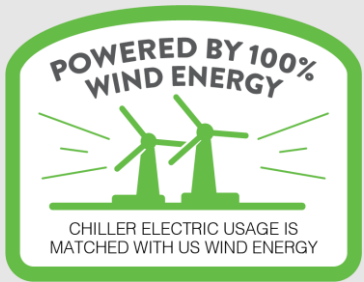


■ Secaucus ■ Bethlehem ■ Kitchens South ■ Ennis

Production team members at Kitchens South are not Freshpet employees but are dedicated to the Freshpet business



# Improved the sustainability of our facilities



combined heat and power



Wastewater treatment & rainwater recapture



LOW CO2 CONCRETE



Solar Energy (Ennis)

2014

2016

2019

2020

2021

2022



Kitchens 1.0

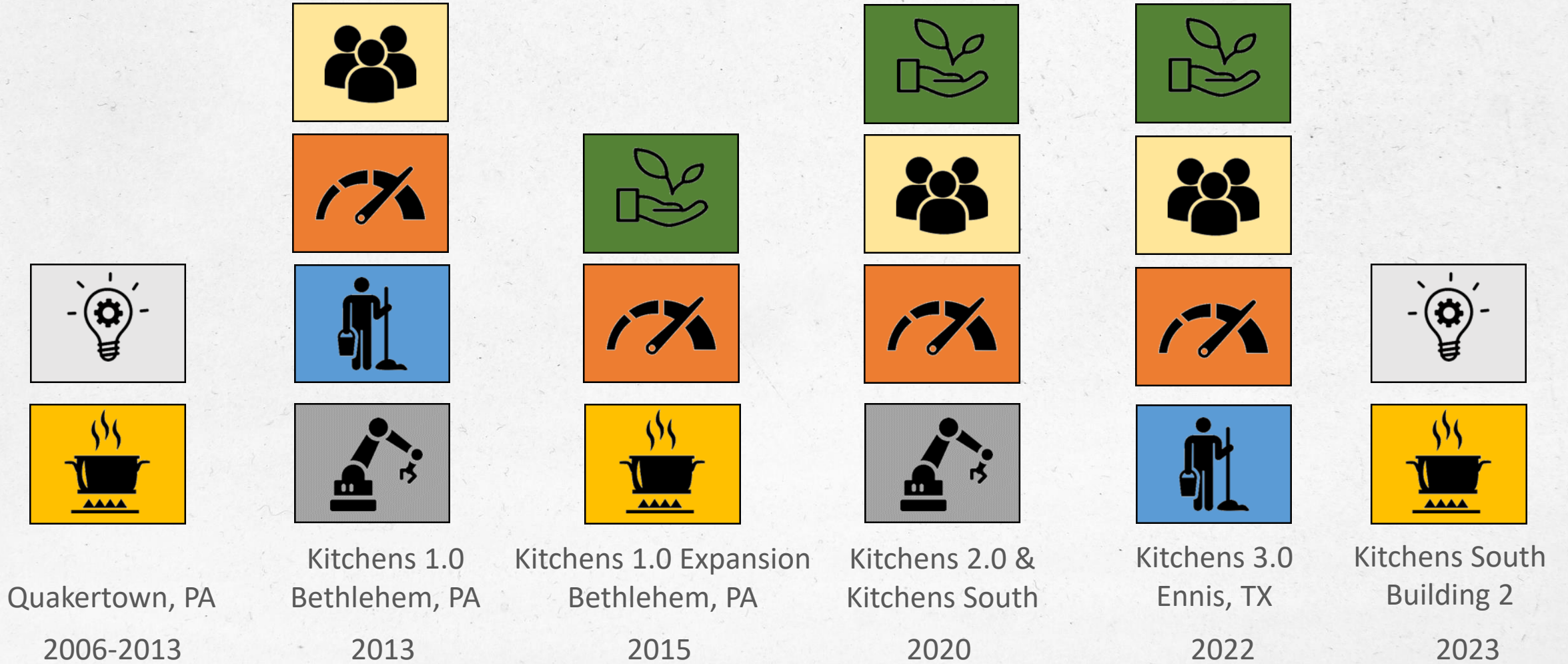


Kitchens 2.0



Ennis Kitchen

# Each step of the way, we have enhanced our manufacturing expertise



# Building \$2 billion in net sales capacity

### Freshpet Capacity Increases by Project (\$ millions)





### Freshpet Capacity by Year (\$ millions)

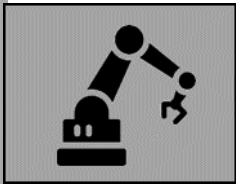


# Blend of bag lines and roll lines

Total Projected Production Lines by Facility: 2025

Facility	Bag Lines 	Roll Lines 	Total Lines
Kitchens 1.0	2	2	4
Kitchens 2.0	1	1	2
Kitchens South #1	4	0	4
Kitchens South #2	1	2	3
Ennis Phase 1	2	1	3
Ennis Phase 2	3	2	5
<b>Total</b>	<b>13</b>	<b>8</b>	<b>21</b>

# Significant opportunities to continue to improve



- Robotic material handling
- Automated guided vehicles



- Enhanced clean-in-place systems
- Closed cooking systems



- Energy recapture applications
- Waste minimization & reutilization



- Higher speed packing
- Alternate cooking systems



- Autonomous teams
- Technology enhanced training

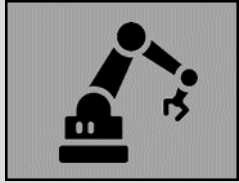


- New product forms
- New product packaging



Kitchens 2.0

# Kitchens 2.0 Objective: Use automation to improve safety, quality and cost – while increasing sustainability



- Created frozen block separator
- Automated palletizing
- In-line X-ray detection
- In-line leak detection
- Automated dry batch
- Automated inclusion handling system



- Double ovens
- High speed pouch filling
- High speed rolls machine
- Increased chilling capacity

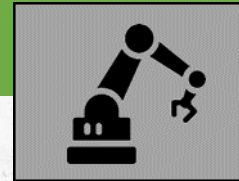


- Reduced labor to process meat
- Eliminated hand stacking of cases
- Enhanced break space
- Reduced exposure to dry ingredient dust
- Eliminated manual mixing of inclusions



- Rainwater capture
- LED lighting
- Wastewater treatment facility
- Renewable energy
- Landfill-free

# Higher throughput with less staffing drives better margins



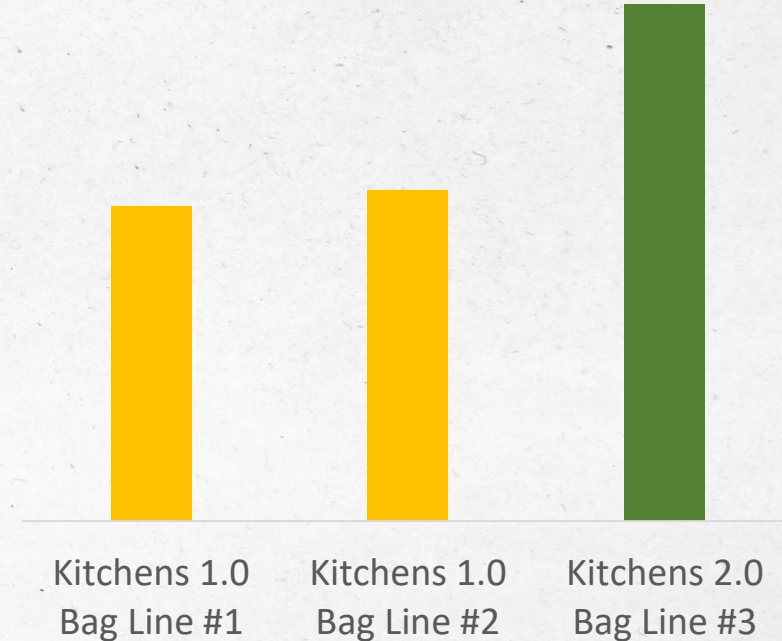
**Avg. Pounds Per Production Day:  
April – August\* 2021**



**Production Staffing**



**Gross Margin at Standard\*\***



\*August results through 8/12/21. Results will vary for each line based on package and product mix on each line on each day. Staffing only includes production personnel. Does not include support services.

\*\* Represents Net Sales minus 2021 standard input cost and labor & overhead cost.



# Kitchens 2.0 environmental impacts



## Energy Conservation



## Waste Management



**CRI**  
Coogle's Recycling, Inc.

Cardboard and Plastic:  
Recycled



Organic Waste:  
Anaerobically digested



Inorganic Waste:  
Waste to Energy

Estimated Savings in 2020 due to Landfill Free Program

**3,875 Metric Tons CO<sub>2</sub>e**  
**2,811,200 gallons Water**

## Water Stewardship

Kitchens wastewater treatment facility under construction in 2020



Early Wastewater Treatment Results:

Ammonia:	-75%
Suspended solids:	-92%
Biochemical O <sub>2</sub> Demand:	-81%



Kitchens 427,000 gallon rainwater capture system under construction in 2020



Kitchens 3.0: Ennis, TX

# Site of Freshpet Kitchens 3.0: Ennis, TX



# Kitchens 3.0 in Ennis, TX: Construction is on track for a Q2 2022 start-up



Kitchens 3.0 will include all the technical advances found in Kitchens 2.0 with additional improvements designed to increase throughput, improve quality and safety, and enhance the environmental sustainability of the facility





Video

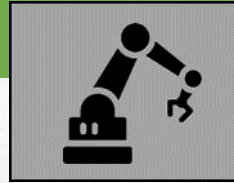
# Sanitation improvements



- **Separating raw and cooked**
  - Physical separation between all raw and cooked areas to enable round-the-clock cleaning
  - Cascading air pressurization scheme throughout to provide highest positive air pressure in most sensitive areas
- **Specialized sanitation equipment**
  - Centralized high-pressure system for cleaning that uses 42% less water
  - CIP systems installed on multiple pieces of equipment



# Automation improvements



- **Leak detection**
  - Ability to test every individual bag for leaks before putting in case
- **X-ray**
  - X-ray of all incoming raw materials for chicken processing operation
  - X-ray detection of finished product on rolls line
- **Automated guided vehicles**
  - For delivery of raw materials and finished goods





# Improved team member experience



- **Training**

- 75 team members to train in Bethlehem for 4-8 months prior to start-up
- Certified apprenticeship program
- Use of augmented reality technology

- **Improved work environment**

- Frozen pallet grinders reduce workload
- Reduced exposure to dry ingredient dust



# Speed/throughput improvements



- **Increased throughput by >10%**
  - High speed packing lines
  - Directional flow for production lines
- **Reduced workload**
  - Reduced block handling
  - Minor ingredient batching is automated
  - Clean-in-place systems
  - AGV's to deliver raw and finished goods



# Sustainability improvements



- **Water**

- Ultra filtration of wastewater – allows re-use of 74 million gallons per year for compressor cooling
- MBBR technology for cleaner treated wastewater

- **Energy**

- LED lighting
- Combined Heat & Power generators
- 2 MW solar power with full battery back-up

- **Waste/Recycling**

- Grease waste converted to bio-diesel
- Structural steel is 93% recycled
- Low carbon concrete used in construction



# Kitchens 3.0 Objective: Improve sanitation and throughput – while increasing sustainability



- Separating unit operations to enable round-the-clock cleaning
- More distinct separation of raw and cooked



- Double ovens
- High speed pouch filling
- High speed rolls machine
- Increased chilling capacity



- Reduced labor to process meat
- Eliminated hand stacking of cases
- Enhanced break space
- Reduced exposure to dry ingredient dust



- Rainwater capture
- LED lighting
- Wastewater treatment
- On-site solar field
- Low carbon concrete



Pets. People. Planet.



2020 Sustainability Report  
Nourishing Pets, People, and Planet



# IT'S AMAZING WHAT CAN HAPPEN WHEN YOU START COMPLETELY FRESH



# PURPOSE-DRIVEN FOUNDING TEAM OF 34







We started with an idea which became great products



# Purpose Creates Passion



**PURPOSE**



**PASSION**

# OUR CULTURAL VALUES





**We asked consumers:  
What would planet**  **look like?**

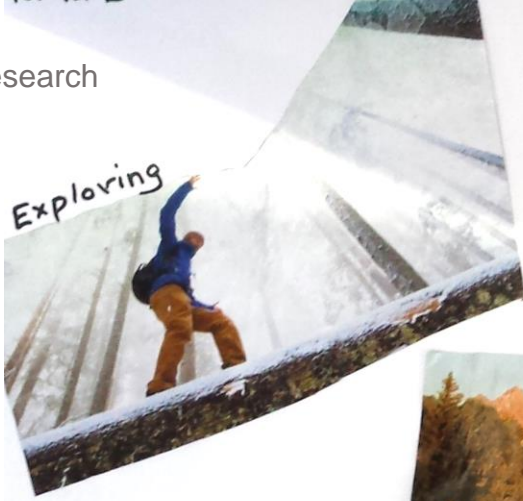




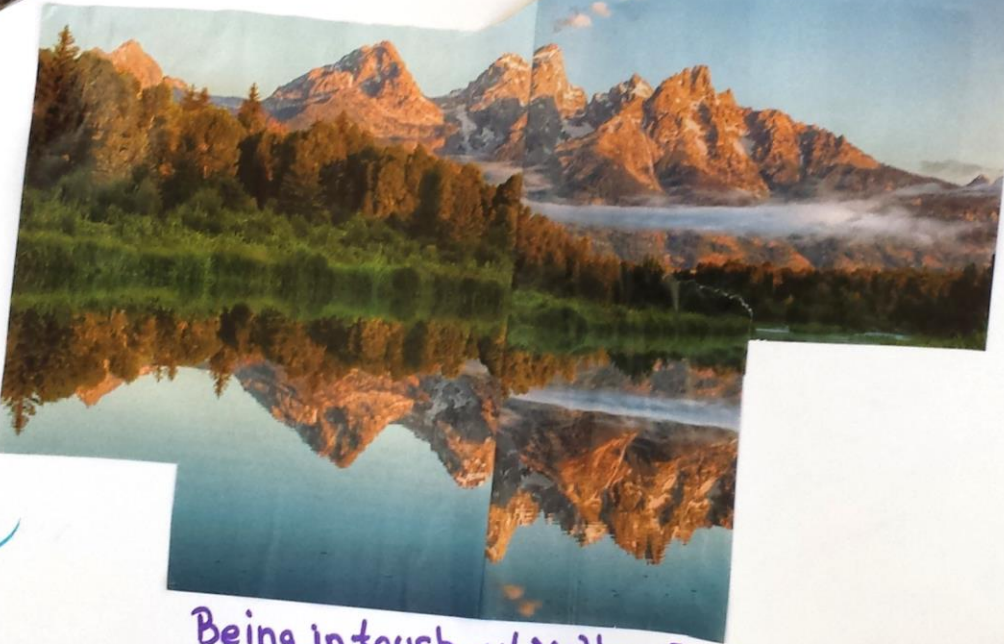


# PEACE-ON-PLANET-FRESHPET!

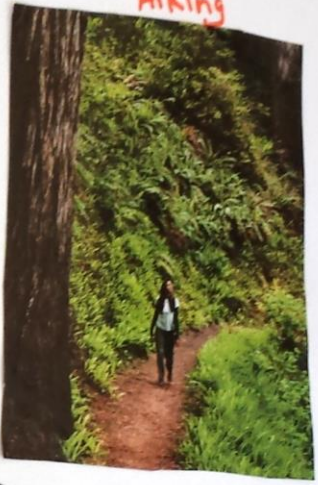
Exploring



Total Simplicity



Hiking



Tree exploring



Being in touch w/ Mother Earth.

Aeros are all of the people who come together to create a good environment



Freedom!

relaxation



respectful people live on planet Freshpet.



# \* Planet Perfection \*

Community Running



Freshpet Brand Top Seller of our Planet!

Local Trail Mix Bar



Healthy and Happy People

our Homes Here are modest with much, much Land



Fields of Grain



"The Pyramid Gym"



Local's favorite restaurant



Perfection Fruit/veggie market



Healthier Choices for a Healthier Lifestyle!

# SUSTAINABILITY WAS BUILT INTO OUR BUSINESS SINCE INCEPTION

## TEAM



## VALUES



## PETS & PRODUCTS



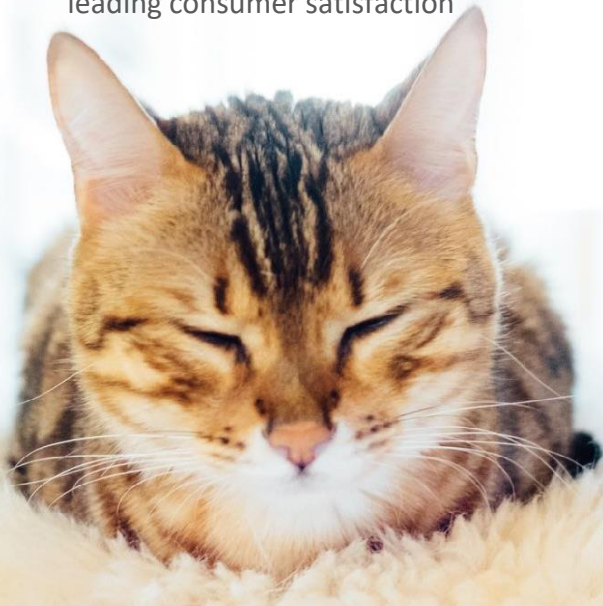
## VISION



# Pets, People, Planet ideology was born

## pets.

Deliver fresh healthy food and nourish  
the human animal bond — we live  
longer healthier lives together  
consistent quality generating industry  
leading consumer satisfaction



## people.

Ensure that all the people that touch  
our company are better in some way  
Build a great team and culture



## planet.

Working to minimize our CO<sup>2</sup> output,  
and develop carbon offsets to achieve  
carbon neutrality



Improving the lives of pets and people while being kind to our planet

Our Why?



Nourishing Pets, People and Planet.

Freshpet strengthens the bond between people and our pets so that we both live longer healthier and happier lives while being kind to the planet



# With a great business model and strategic plan



**DIFFERENTIATED**  
Innovative forms,  
technologies, and appearance



**HIGH BRAND LOYALTY**  
Alignment with deep pet  
parent emotional motivations



**FRESHPET FRIDGE**  
Branded, company-owned  
real estate



**MANUFACTURING**  
Proprietary technology,  
processes, and infrastructure



**SUPPLY CHAIN**  
Only refrigerated pet food  
network in North America



**RETAILER PARTNERS**  
Delivers benefits in traffic,  
frequency and retailer margins



Video

Disrupting the  
**\$35+ BILLION**  
pet food industry  
by changing the  
way people feed  
their pets.

All built on a  
**strategic business  
model** and  
**sustainability  
platform**



## SUSTAINABILITY

Since our founding



## PETS

Improving the lives of pets  
Commitment to food ideology  
Support the human animal bond



## PEOPLE

Missionaries & chefs  
make sure everyone wins



## PLANET

Lowest  
impact  
possible



## CPG LEADER

In sustainability  
Encourage goodness

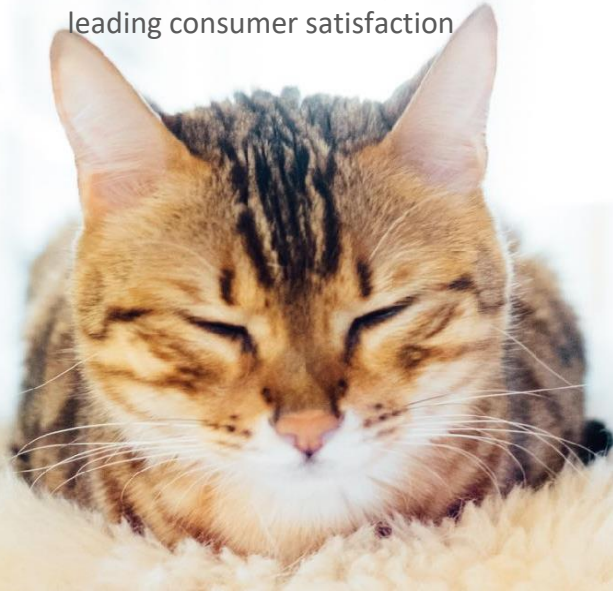


## GOVERNANCE

Age appropriate  
and long-term plan

## pets.

Deliver fresh healthy food and nourish  
the human animal bond — we live  
longer healthier lives together  
consistent quality generating industry  
leading consumer satisfaction



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## planet.

Working to minimize our CO<sup>2</sup> output,  
and develop carbon offsets to achieve  
carbon neutrality



Improving the lives of pets and people while being kind to our planet



# Pets | Our Food & Giving Back Since Founding

Delivering fresh healthy food and nourish the human animal bond

## Nutritional Ideology



## Healthier Lives



## Supporting the human animal bond



# FRESHPET NUTRITIONAL PHILOSOPHY

Simple foods, cooked less, preserved in the fridge

## How we think about ingredients

ALL NATURAL NO ARTIFICIAL COLORS OR FLAVORS (?)

NO PRESERVATIVES (?)

NO CORN OR WHEAT (?)

NO BY-PRODUCTS (?)

NO MEAT POWDERS (?)

LESS PROCESSED, COOKED AT LOWER TEMPERATURES (?)

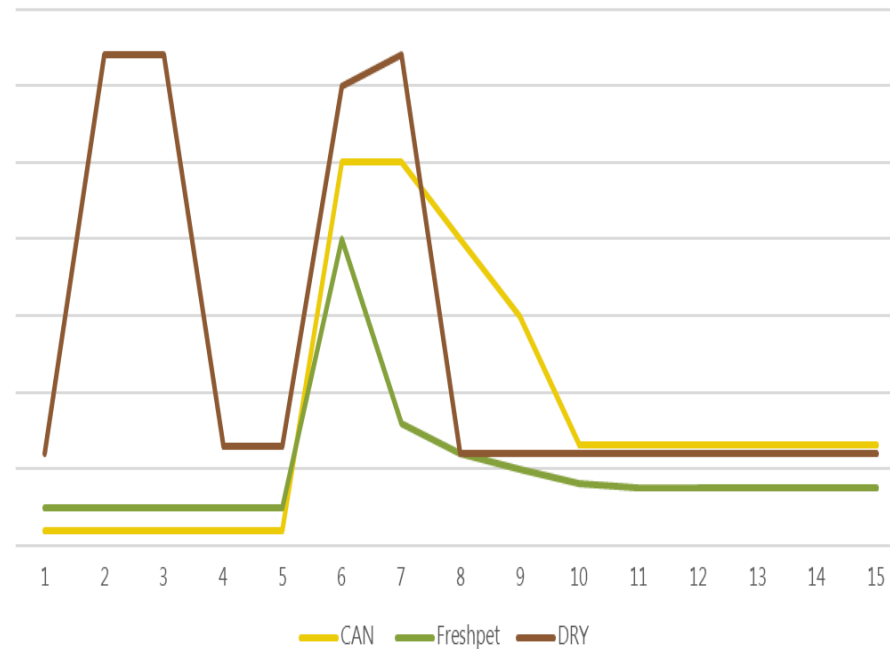
REAL FRESH FRUITS AND VEGGIES YOU CAN SEE (?)

ABSOLUTELY NO INGREDIENTS FROM CHINA

ONLY CHELATED MINERALS (?)

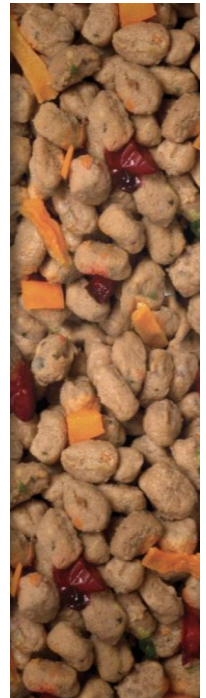
## Cooked at lower temperatures and for shorter times

Cooking Temperatures (°F) and Duration (Hrs)



## Less processed to maintain higher average amino acid bioavailability

89.2%



Steamed Chicken (Freshpet)

84.2%



Retort Chicken (Wet Canned)

79.0%



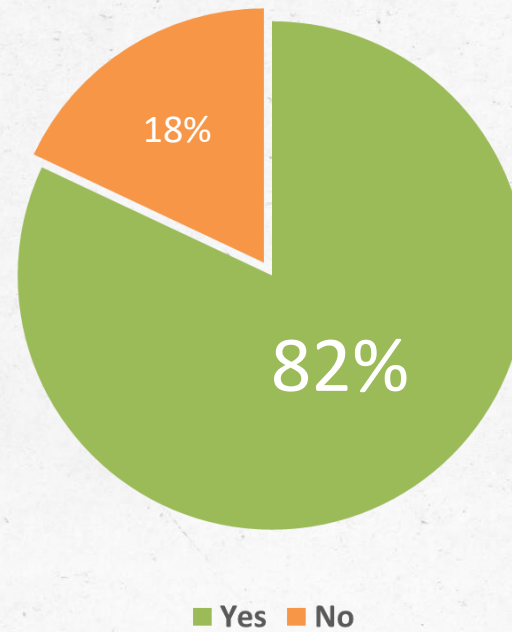
Chicken Meal (Dry Kibble)

# FRESHPET DELIVERS A NOTICEABLE DIFFERENCE IN PETS' WELL-BEING

82% of consumers report that Freshpet makes a difference in their pet's health

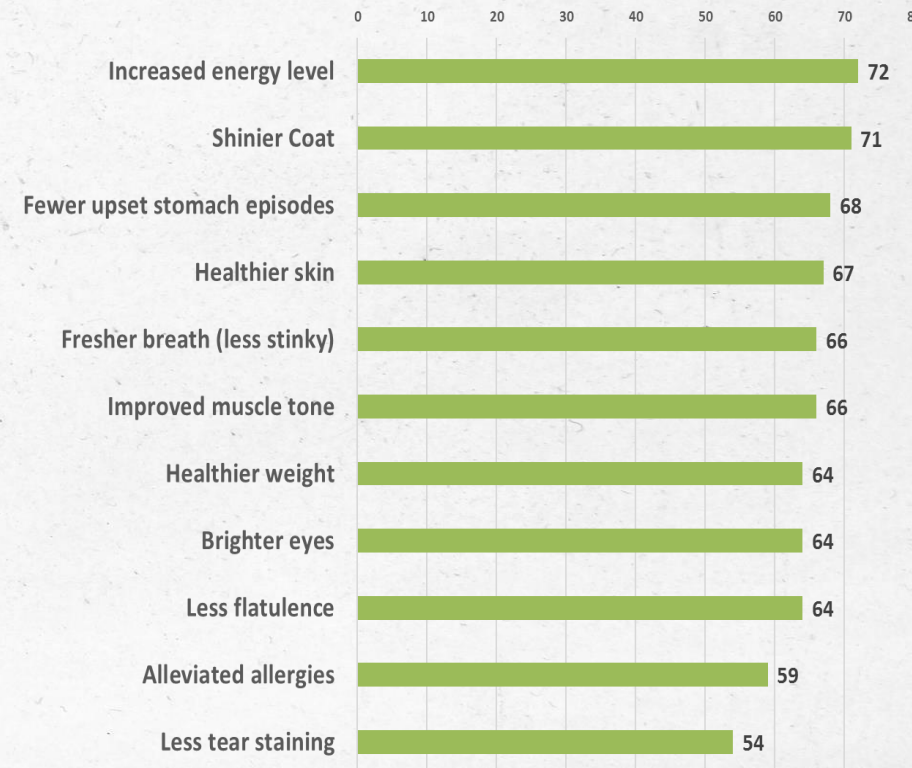


## Noticed a Visible Health Difference



Source: Freshpet Visible Difference Study 2018 n= 202

## % Noticed Visible Health Difference



# Supporting the human animal bond

## Celebrating the Human Animal Bond

---



## Adoption and Rescue Programs

---

Donated

**11.5 million**  
**fresh meals** to  
animals in need

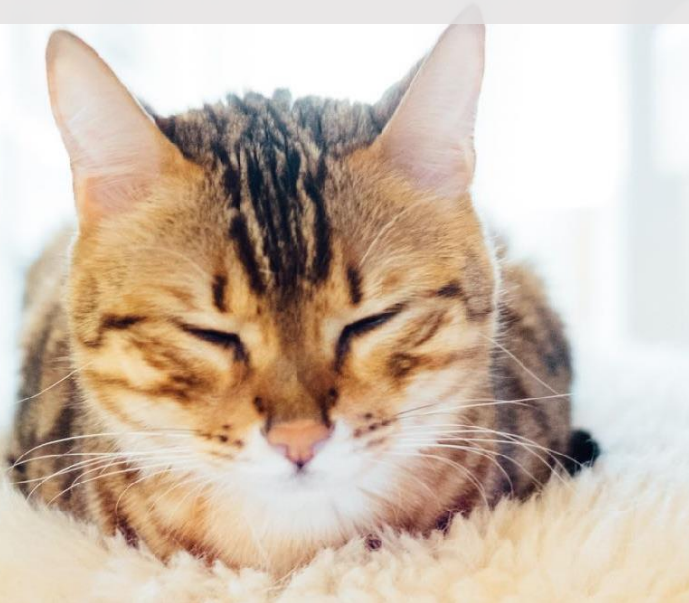
freshpet®  
**freshstart**

# OUR OPERATING PRINCIPLES

Improving the lives of pets and people while being kind to our planet.

## pets.

Deliver fresh healthy food and nourish  
the human animal bond — we live  
longer healthier lives together  
consistent quality generating industry  
leading consumer satisfaction



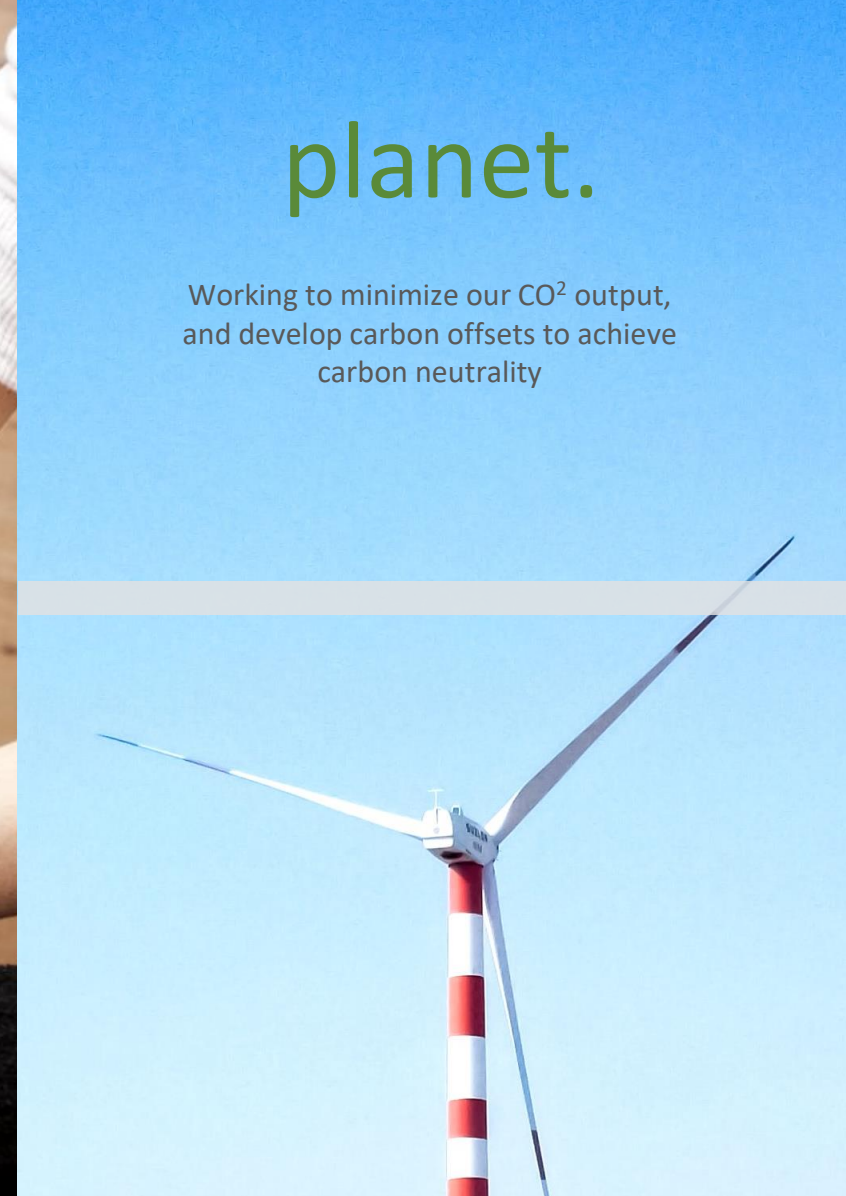
## people.

Ensure that all the people that touch  
our company are better in some way  
Build a great team and culture



## planet.

Working to minimize our CO<sup>2</sup> output,  
and develop carbon offsets to achieve  
carbon neutrality



# OUR PEOPLE ARE OUR PARTNERS



## WEALTH CREATION

- Industry leading compensation
- Stock compensation for everyone
- 401k matching for everyone

## TOP NOTCH BENEFITS

- Same comprehensive health insurance for everyone
- Paid time off- vacation, holidays, flex schedules
- New in 2021: Tuition reimbursement

## POPULAR PERKS

- Free Freshpet
- Free healthy snack break room
- Free catered employee lunches
- Available pet health insurance

# OUR PEOPLE ARE OUR PARTNERS



## 37 EMPLOYEES WITH 10+ YEARS OF TENURE

8.3

**Net Promoter Score**

90<sup>th</sup> percentile & improving each year

82%

**Employee Engagement**

+4 pts above industry benchmarks.

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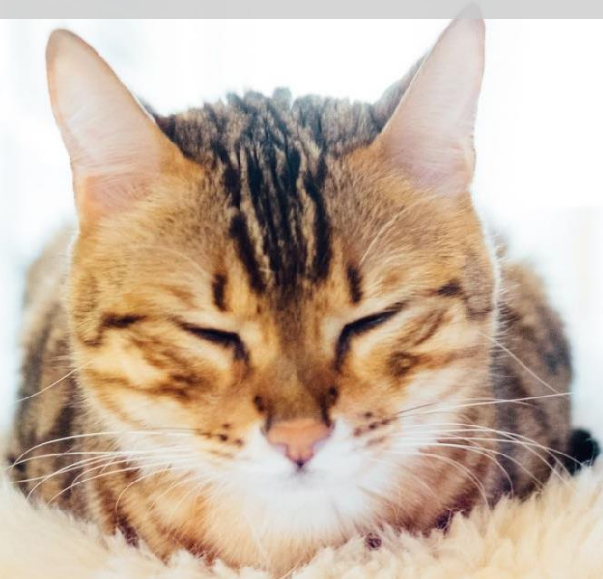
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# Consumers Chose Sustainability

% of Freshpet Consumers that Actively Look for Environmentally/Socially Responsible Brands

54% Gen X

71% Millennials

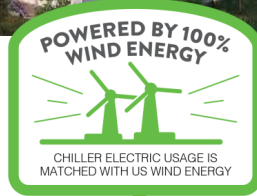
>71% Gen Z

# HISTORY OF FRESHPET'S ENVIRONMENTAL SUSTAINABILITY LEADERSHIP

We believe we always have been, and will continue to be a leader in CPG Environmental Sustainability



'12



'14



LANDFILL-FREE KITCHENS



'16

Pets, People, Planet teams formed



combined heat and power

'19



'20



SUPPLIER CODE OF CONDUCT



'21



2025



2022

& Beyond

# Freshpet is leading the way in pet food sustainability



\*Our chicken and turkey proteins are Animal Welfare Certified by the Global Animal Partnership

Disrupting the  
**\$35+ BILLION**  
pet food industry  
by changing the  
way people feed  
their pets.

All built on a  
**strategic business  
model** and  
**sustainability  
platform**



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Since our founding



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Commitment to food ideology  
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Missionaries & chefs  
make sure everyone wins



## PLANET

Lowest  
impact  
possible



## CPG LEADER

In sustainability  
Encourage goodness



## GOVERNANCE

Age appropriate  
and long-term plan

# FRESHPET NON-EXECUTIVE BOARD OF DIRECTORS\*-

## Guided by the wise to help achieve our vision



CHARLES NORRIS

- Member and Chairman of our board since October 2006
- Serves as member of the board of Primo Water
- Previously served as Chairman of Glacier Water Services from 2001 to 2016



DARYL BREWSTER

- Member of our board since January 2011
- Since 2013, served as CEO of CECP - a coalition of chief executive officers from large cap companies focused on driving sustainable business



OLU BECK

- Member of our board since October 2019
- Over 25 years of executive and senior leadership experience in the consumer packaged goods industry
- Currently serves as Board Member of Hostess and Denny's



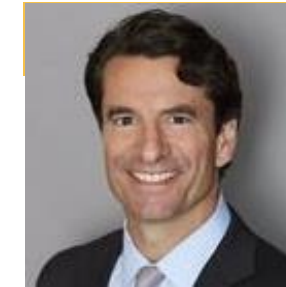
DEDE PRIEST

- Member of our board since September 2018
- Has over 30 years of executive and senior leadership experience in retail and the consumer packaged goods industries



CRAIG STEENECK

- Member of our board since November 2014
- Served as EVP and CFO of Pinnacle Foods from 2007 to 2019
- Member of Hostess and Utz Quality Foods Boards



DAVID BASTO

- Member of our board since December 2010
- Managing Director of The Carlyle Group
- Founding Partner of Broad Sky Partners



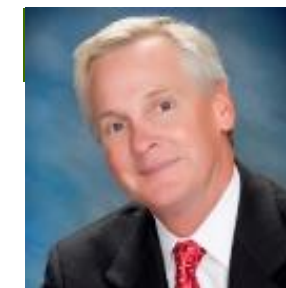
JACKIE KELLEY

- Member of our board since February 2019
- Has over 25 years of executive and leadership experience in the media & digital industries
- Currently serves as President & CCO of Dentsu, Inc



LAWRENCE COBEN

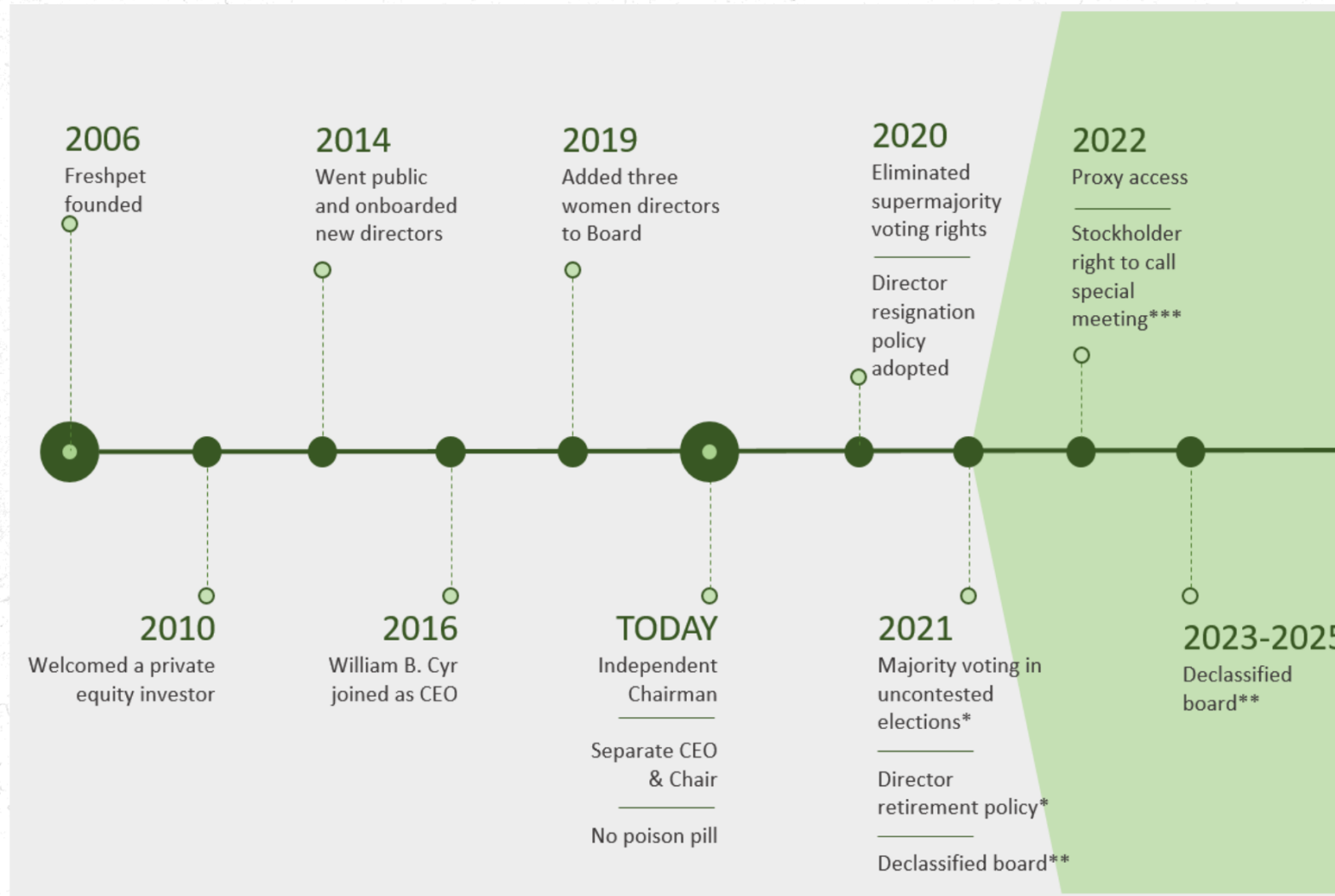
- Member of our board since November 2014
- Chairman of NRG Energy since February 2017
- Director of NRG since December 2003



WALT GEORGE

- Member of our board since November 2014
- President of G3 Consulting, a boutique advisory firm specializing in value creation in consumer product companies, which he founded in 2013

# Freshpet's Commitment to Good Governance: Roadmap to 2025



# GOVERNANCE TRANSFORMATION ROADMAP



	YOUNG	2020	2021	2022	2023 to 2025	MATURE
INDEPENDENT CHAIRMAN	Yes					Yes
SEPARATE CEO & CHAIR	Yes					Yes
NO POISON PILL	Yes					Yes
ELIMINATE SUPERMAJORITY VOTING RIGHTS	75%	approved by shareholders				50%
DIRECTOR RESIGNATION POLICY	No	approved by board				Yes
MAJORITY VOTING IN UNCONTESTED ELECTIONS	No (plurality)		*			Yes
DIRECTOR RETIREMENT POLICY	No					Yes
PROXY ACCESS	No			*		Yes
SHAREHOLDER RIGHT TO CALL SPECIAL MEETING	No			*		Yes
DECLASSIFIED BOARD**	3 Year Terms		*		1 Year Terms	1 Year Terms

\* Proposals requiring shareholder action in that year's Proxy Statement.

\*\* The Company has submitted a stockholder proposal to begin declassifying its board in 2023, with the board to be fully declassified by 2025.



We believe we always  
have been and will  
continue to be a leader  
in CPG Sustainability

---





freshpet<sup>®</sup>

**FEED THE GROWTH**

11 MILLION HH BY 2025

