

2008 Sustainability Report



Contents

- 1Sustainability Statement & Initiatives
- 2.....Message from Sustainability Director
- 3.....Carbon Footprint
- 3.....Operational Efficiency
- 3.....Water Stewardship
- 3.....Energy Conservation
- 4.....Logistics
- 4.....Sustainable Procurement
- 5.....Solid Waste
- 5.....Buildings
- 6.....Green Teams
- 6.....About Flowers Foods

Flowers Foods recognizes that without a healthy environment our company cannot be successful. We are committed to applying the principles of sustainability to all aspects of our business. The company encourages every Flowers Foods team member and associate to accept responsibility for conserving natural resources and for seeking ways to improve the company’s use of those resources.

Working with our team members, business partners, suppliers, and customers, Flowers Foods is striving to prevent waste of water, packaging, energy, and other resources. We know our commitment to sustainability makes us an even better corporate citizen as we do what is right for all our shareholders, stakeholders, communities, and the environment. We believe these efforts will increase profitability and enhance shareholder value over the long term.

Ongoing Sustainability Initiatives

- Recycle and reduce use of resources
- Reduce fuel and energy consumption
- Seek innovations to reduce the use of non-renewable resources
- Further integrate sustainability into core processes
- Work with suppliers to embrace sustainability initiatives
- Educate workforce about sustainability
- Participate in community efforts to encourage sustainability

About this Report

This Sustainability Report covers the 2008 calendar year and includes forward-looking goals. The data in this report covers only manufacturing operations owned or operated by Flowers Foods.

Flowers’ greatest opportunities for sustainable growth lie with its bakeries and with the functions directly related to those facilities. For that reason, the company’s sustainability efforts and the scope of this report focus on those operations. Data involving office, IT, and warehouse facilities will appear in future reports.

All of the information contained in this report are subject to internal data management systems and controls. Flowers Foods does not yet seek external verification of its sustainability reporting.

For more information about
**Flowers Foods and
 its sustainability initiative,**
 visit www.flowersfoods.com.

FlowersFoods Our Guiding Principles

- Integrity
- Innovation
- Quality
- Commitment
- Service

Our Strategies

- Grow branded retail and foodservice sales
- Grow organically and through acquisitions
- Develop bakery products to meet customer and consumer needs
- Provide extraordinary customer service
- Operate the country's most efficient bakeries
- Innovate to improve our business
- Encourage team spirit, diversity and professional growth



Message from Flowers Foods' Sustainability Director

Dear Friend:

We believe in the importance of being a good corporate citizen. All of us who work for Flowers Foods take this responsibility seriously.

Operational efficiencies and wise resource management are two long-held Flowers strategies. With 90 years of experience in the baking industry, we know these specific strategies help us remain the low-cost producer of quality bakery foods. They also are the heart of our sustainability efforts.

Despite challenging economic conditions, we continue to find ways to reduce the resources needed to run our business. Even more exciting, is the progress we're making in moving from what we call "aspirational" sustainability goals to truly "measurable" goals with metrics and targets. Throughout this report, you will see the specific sustainability targets we anticipate achieving by 2015.

One of our most successful stories in 2008 was establishing Green Teams at each of our bakeries. Composed of volunteer employees and associates representing all bakery functions, our Green Teams initiated a number of sustainability actions this past year, which we've highlighted on page 6 of this report.

In 2008, we also invested in capital projects to help our facilities improve sustainability in such areas as ingredient waste and energy efficiency.

Reading through this report, you will see we are working diligently to improve our baking, packaging, and distribution processes while continuing to offer consumers quality bakery foods at an affordable price.

Flowers Foods remains committed to doing what is right for our shareholders, our team members, our customers, our communities, and our environment.

Dale Mediate
Director of Sustainability

Carbon Footprint Reporting

Flowers Foods is currently developing tools to report its carbon footprint (the amount of carbon dioxide produced by the company at any given time). We are using the World Resources Institute and World Business Council for Sustainable Development's Greenhouse Gas Protocol (GHG Protocol), which is the leading global standard for greenhouse gas accounting.

Under the GHG Protocol, emissions are classified by their source. Flowers Foods' core emissions fall into Scope 1 or Scope 2 classifications. Scope 1 emissions are direct emissions from owned or operated facilities, such as the oven fuel burned during our bakery production and the gas or diesel fuel used by company owned or operated vehicles. Scope 2 emissions are indirect emissions resulting from the electricity used in our business. Our company also has some emissions that fall under Scope 3--indirect emissions that occur at--or come from sources outside--our company. These emissions are generated as a consequence of our business, such as the fuel used by our independent distributors to get our baked foods from warehouse to customer.

We are developing tools to accurately report our Scope 1 and Scope 2 emissions. Our goal is to report Scope 1 and Scope 2 emissions throughout our entire organization starting in 2010. Once we have calculated our carbon footprint for Scope 1 and Scope 2, we will determine the carbon reduction goal we hope to achieve by 2015. We also will begin to collect data on Scope 3 emissions.

Operational Efficiency

Flowers' strategy to operate the country's most efficient bakeries requires vigilant quality assurance, innovative manufacturing, and targeted capital investments. We believe that operational efficiency is one of the most cost-effective sustainability initiatives we can embrace. Our 2008 performance in this area demonstrates our commitment to using all resources under our direct control. Its benefit also can be seen in our energy usage metrics. (See Energy Conservation on this page.)

In 2008, we increased the net pounds we sold by 1.37% over 2007, while pounds produced decreased by 0.69% over 2007. Selling more while producing less is a sign of improving efficiencies throughout all areas of our business. The only way to produce less and sell more is to reduce waste.

Water Stewardship

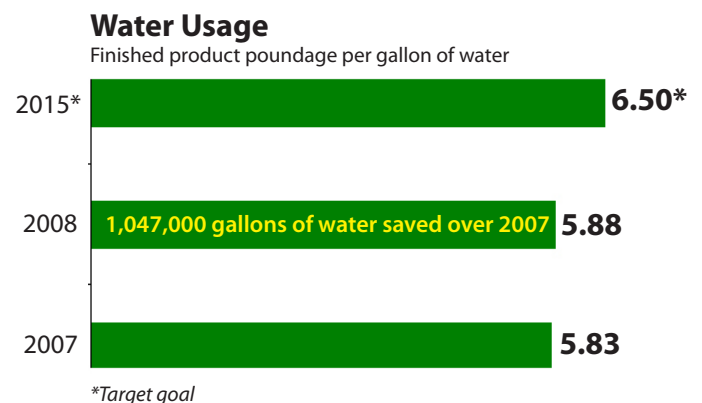
Water is a valuable resource for all of us. It also is a vital ingredient in bakery foods. A dependable and clean water supply is critical for our bakeries.

Our bakeries obtain water from local municipal water systems. We comply with all waste water and storm water regulations and work closely with our municipal partners to ensure a continuous and healthy water supply in all the communities where we operate production facilities.

In 2008, we reevaluated our water usage at all bakeries and challenged bakery Green Teams to develop creative ways to reduce water usage. One area of focus is devising more efficient equipment cleaning methods and ensuring proper water equipment maintenance.

Our total water usage in 2008 decreased by 1,047,000 gallons over 2007 even though our production volume increased by 18 million pounds. Our production poundage per gallon of water increased from 5.83 in 2007 to 5.88 in 2008. In other words, we are producing more bakery foods, but using less water to do it.

Flowers Foods has set a 2015 goal of achieving 6.50 pounds per gallon of water. This would effectively reduce our water usage by 10% on a volume basis compared to our current water usage level.

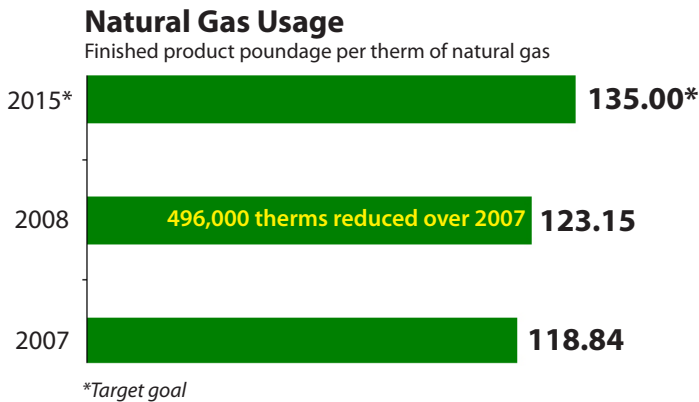


Energy Conservation

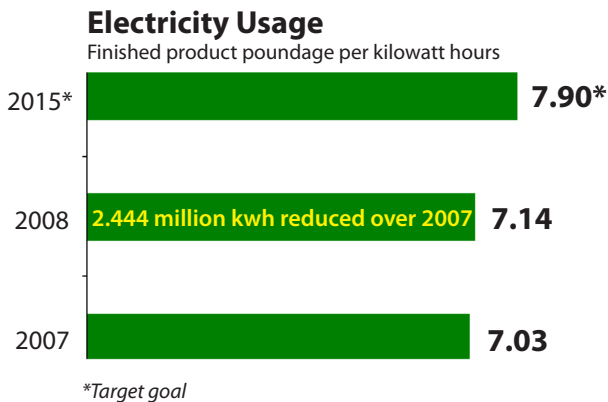
Natural gas and electricity are vital energy components in commercial baking. The benefits of Flowers Foods' continued capital investments in baking technology and the diligent work of our bakery teams can be seen in the improvement in our natural gas and electricity usage. Efforts to improve our use of energy have resulted in saving approximately 4,300 metric tons of CO₂ in 2008.

We recently refined our energy metrics and are now using finished product poundage in our calculations instead of mix product poundage. This new calculation better reflects the efficiency of our processes and how that efficiency relates to energy usage.

Natural Gas Flowers' total natural gas usage decreased by 496,000 therms in 2008, while our finished goods production volume increased by 18 million pounds. Our finished product poundage per therm of natural gas increased from 118.84 pounds in 2007 to 123.15 in 2008. This represents a 3.63% increase in energy efficiency. It should be noted that in 2008, our bakeries experienced a 7.5% increase in the number of days below 65°F. In other words, 2008 was a cooler year and required more area heating in the bakeries. Our 2015 natural gas usage goal is 135.00 pounds per therm. This would effectively reduce our natural gas usage by 10% on a volume basis compared to our current natural gas usage level.



Electricity Flowers Foods' electricity usage decreased by 2.444 million kilowatt hours (kwh) in 2008. This reduction, combined with the increase in our production volume, boosted our finished product poundage per kwh from 7.03 pounds per kwh in 2007 to 7.14 in 2008.* Our 2015 electricity usage goal is 7.90 pounds per kwh. This would effectively reduce our electricity usage by 10% on a volume basis compared to our current electricity usage.



*The electricity usage in Flowers Foods' 2008 Annual Report was calculated using mix product poundage and shows higher numbers for pounds per kwh.

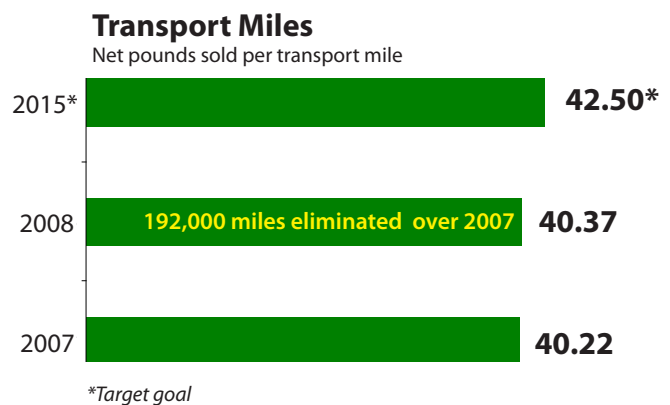
Logistics

Flowers Foods relies on several excellent third-party freight providers (3PLs) to transport bakery foods from our bakeries and distribution centers to customers. Because we do not own freight equipment, we rely heavily on our partners to provide efficient and reliable transportation. We strongly encourage our 3PLs to use only efficient, modern, and well-maintained equipment, including power units, trailers, and reefer equipment.

We continue to reduce the miles our products travel by baking products closer to our customers. We accomplish this by shifting production, adding new production lines, building bakeries, or acquiring new bakeries. We also strive to maximize trailer cubes and fill returning trucks (back hauls) with ingredients and packaging shipments. As a result of these efforts, we eliminated more than 192,000 miles on a net pounds sold basis in 2008 compared to 2007.

Regarding the use of rail, we began shipping snack cakes from our bakeries located in the East to our West Coast markets using rail service in 2007. This year, we shipped 136 truckloads of product by rail, saving the equivalent of 202,000 miles of truck transport.

Flowers will continue to partner with its 3PLs and supply chain vendors to reduce the miles traveled on our behalf and the number of transports used. Our 2015 goal of net pounds sold per transport mile is 42.50. This would effectively reduce the number of miles traveled per net pound by 5% compared to our current level.



Sustainable Procurement

Ingredient Waste We work to minimize ingredient waste by improving handling procedures and capital investment. Case in point is the flour reclaim system we installed in our Suwanee, Ga., bakery in 2008. This system, currently in use at 37 of our bakeries, dramatically reduces the amount of dusting flour used during the baking process and employs a cleaning process that uses less water and compressed air.

Bulk Ingredients Flowers Foods is dedicated to eliminating, recycling, and reducing ingredient packaging wherever possible. To eliminate disposable ingredient packaging material, we are maximizing the use of bulk ingredient handling systems at all our bakeries.

Currently, Flowers receives delivery of approximately 1.68 billion pounds of bulk ingredients each year, which represents approximately 70% of the total ingredients we use, excluding water. These bulk ingredients create zero disposable waste.

By installing bulk whole wheat flour systems at three of our bakeries in 2008, we eliminated an additional 240,000 50-pound bags from our waste stream. We also invested in a bulk molasses tank at our bakery in Denton, Texas, which eliminates packaging and handling of smaller volume containers and reduces transportation miles.

Non-recyclable Materials As part of the comprehensive recycling program at each of our bakeries, we are identifying non-recyclable materials coming into our facilities and working with vendors to eliminate, reuse, or replace them with recyclable alternatives.

Product Packaging Flowers Foods is diligently reviewing product packaging materials to improve performance and reduce the resources involved in delivering quality bakery foods safely to consumers. In 2008, we successfully reduced the paperboard content of our multipack snack cake packaging, saving 126,000 pounds of paperboard or 630 trees. We also reduced the size of our bun bags by 14%, which saved 140,000 pounds of plastic annually.

Solid Waste

Flowers Foods is committed to continuous solid waste management and to cutting waste generation in our bakeries. In 2008, we implemented a comprehensive recycling program at each bakery to reduce the amount

of trash generated and to find alternative uses for trash to keep it out of landfills.

Working with our suppliers and our recycling partners, we were able to divert 6.87 million pounds of trash from landfills to recycling in 2008, increasing our total recycling by 81% over 2007.

Our bakeries achieved a recycling rate of 30% of total trash collected in 2008. This was lower than the 42% recycling rate we achieved in 2007 due to the addition of warehouses and discount bakery stores to our calculations. Total trash collected excludes broken trays and bakery scrap. Our 2015 goal is to achieve a recycling (or diversion) rate of 50% at all of our locations. Our 2015 goal of finished pounds produced per pounds of solid waste is 237. This would effectively reduce the amount of solid waste from our manufacturing facilities by 10% compared to our current level.

We continue to review opportunities to reduce, reuse, or recycle as many waste items as possible. During 2008, we returned more than 370,000 broken plastic bread trays to our vendor, which were converted into 1.48 million pounds of plastic used to make new bread trays. Our bakeries also diverted all bakery scrap (dough and inferior quality product) to animal feed producers.



Buildings

We continue to improve how we monitor energy use in our bakeries so we can further improve energy efficiencies. In our new Bardstown, Ky., bakery, which opened in May 2009, we installed a sophisticated system to monitor gas, electric, and water usage. Although in operation for less than a year, we are already better understanding how our bakeries are using these resources and we are exploring ways to further reduce our use of them.

During the year, Flowers also completed a lighting retrofit project at our Winston-Salem, N.C., bakery. We anticipate that this retrofit will save approximately 500,000 kwh of electricity annually. We are continuing to pursue lighting retrofits at other bakeries.

We continue to add energy-efficient features to our warehouses and discount bakery stores. New warehouses and stores use efficient lighting with motion sensors, provide access for handling recyclables, have on-demand or tankless water heaters, and feature translucent panels for day lighting. In addition, we have reduced the use of paving to minimize storm water runoff. We expect the new warehouse lighting systems installed in 2008 to save an estimated 225,000 kwh of electricity annually.

Flowers is committed to making wise investments in new and existing facilities to reduce our use of natural resources while providing a safe environment for team members and the public.

Flowers Green Teams

One of our most successful achievements in 2008 was establishing Green Teams at each of our bakeries. Composed of volunteer employees and associates who represent all bakery functions, our Green Teams initiated a number of sustainability actions this past year. These included:

- Installing solenoid valves to better control compressed air usage;
- Reducing water and compressed air usage by increasing monitoring;
- Improving ordering cycles to reduce refrigeration needed for yeast tanks;
- Reducing duplicated magazines and publications received; and
- Encouraging employee use of public transportation.

Flowers Foods believes the best way to generate sound ideas for improving sustainability is to encourage team member involvement in the process. Toward that end, we are developing new ways for Green Team members to share ideas and best practices.

About Flowers Foods

Flowers Foods (NYSE:FLO), headquartered in Thomasville, Ga., is one of the nation's leading producers and marketers of bakery foods for retail and foodservice customers.



The company's 40 highly efficient bakeries produce breads, buns, rolls, snack cakes, pastries, and tortillas. Fresh bakery foods are available to approximately 50% of the U.S. population in 26 states and the District of Columbia. Flowers Foods' market reach for fresh bakery products is primarily in the Southeast, Mid-Atlantic, and Southwest, and also extends to select markets in California and Nevada.

Most of Flowers' bakery foods are sold direct to retail and foodservice customers through a network of independent distributors. Frozen bakery items and snack cakes are delivered via contract carriers to customers' warehouses.

Flowers Foods' brands are among the most well known in the baking industry and are backed by consistent quality, value, and good taste. The company's top brands include *Nature's Own*, *Whitewheat*, *Cobblestone Mill*, *Mrs. Freshley's*, and *Blue Bird*. Regional and franchised brands include *Sunbeam*, *Bunny*, *ButterKrust*, *Captain John Derst*, *Country Hearth*, *Evangeline Maid*, *Mary Jane*, *Mary Jane & Friends*, *Aunt Hattie's*, and *Holsum*. In 2008, Flowers Foods reported sales of \$2.42 billion.



Flowers Foods • 1919 Flowers Circle • Thomasville, GA 31757
229.226.9110 • www.flowersfoods.com