TreeHouse Foods, Inc.
Form DEF 14A
March 06, 2012
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UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of the Securities Exchange Act of 1934

Filed by the Registrant þ

Filed by a Party other than the Registrant ¨

Check the appropriate box:

¨ Preliminary Proxy Statement

¨ **Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**

þ Definitive Proxy Statement

¨ Definitive Additional Materials

¨ Soliciting Material Pursuant to §240.14a-12

TREEHOUSE FOODS, INC.

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

þ No fee required.
¨ Fee computed on table below per Exchange Act Rules 14a-6(i)(4) and 0-11.

(1) Title of each class of securities to which transaction applies:

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(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

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(1) Amount Previously Paid:

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(3) Filing Party:

(4) Date Filed:

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TREEHOUSE FOODS, INC.

2021 SPRING ROAD

SUITE 600

OAK BROOK, ILLINOIS 60523

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

ON APRIL 26, 2012

You are cordially invited to attend the Annual Meeting of Stockholders of TreeHouse Foods, Inc. (TreeHouse or the Company) that will be held at 2015 Spring Road, Lower Level, Conference Room A, Oak Brook, Illinois 60523, on Thursday, April 26, 2012 at 9:00 a.m., Central Time.

Once again, we are pleased to take advantage of the Securities and Exchange Commission rule allowing companies to furnish proxy materials to their stockholders over the Internet. We believe that this e-proxy process expedites stockholders receipt of proxy materials, while also lowering the costs and reducing the environmental impact of our Annual Meeting. On or about March 16, 2012, we will mail to our stockholders who have not already requested paper material, a notice (Notice) containing instructions on how to access our 2012 Proxy Statement and annual report and vote online. All stockholders who have elected to continue to receive paper material will receive a copy of the Proxy Statement and annual report by mail. The Proxy Statement contains instructions on how you can (i) receive a paper copy of the Proxy Statement and annual report, if you only received a Notice by mail, or (ii) elect to receive your Proxy Statement and annual report over the Internet, if you received them by mail this year.

At the Annual Meeting you will be asked to vote on the following matters:

1. To elect three directors to hold office until the 2015 Annual Meeting of Stockholders;
2. To ratify the selection of Deloitte & Touche LLP as our independent registered public accounting firm for fiscal year 2012;
3. To provide an advisory vote to approve the Company s executive compensation;
4. To approve the amendment and restatement of our Equity and Incentive Plan, including an increase in the number of shares subject to the plan.

The matters listed above are fully discussed in the Proxy Statement accompanying this Notice. A copy of our 2011 Annual Report is also enclosed.

The record date for the Annual Meeting is March 5, 2012. Only stockholders of record as of March 5, 2012 are entitled to notice of and to vote at the Annual Meeting.

Whether or not you attend the Annual Meeting, it is important that your shares be represented and voted at the Annual Meeting. Therefore, I urge you to promptly vote and submit your proxy by phone, via the Internet, or by completing, signing, dating and returning the enclosed proxy card in the enclosed envelope. If you decide to attend the Annual Meeting, you will be able to vote in person, even if you have previously submitted your proxy.

Thomas E. O Neill

Corporate Secretary

March 6, 2012

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IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR THE

ANNUAL MEETING OF STOCKHOLDERS TO BE HELD ON APRIL 26, 2012

This communication presents only an overview of the more complete proxy materials that are available to you on the Internet. We encourage you to access and review all of the important information contained in the proxy materials before voting.

Our Proxy Statement and our annual report are available at http://bnymellon.mobular.net/bnymellon/ths/. Our Proxy Statement includes information on the following matters, among other things:

The date, time and location of the Annual Meeting;

A list of the matters being submitted to the stockholders for approval; and

Information concerning voting in person at the Annual Meeting.

If you want to receive a paper copy or e-mail of these documents, you must request one. There is no charge to you for requesting a copy. Please make your request for a copy to BNY Mellon Shareowner Services by telephone at 1-888-313-0164, by email at shrrelations@bnymellon.com or online at http://www.proxyvoting.com or contact the Company s Investor Relations Department directly at our principal executive office: TreeHouse Foods, Inc., 2021 Spring Road, Suite 600, Oak Brook, Illinois 60523, telephone (708) 483-1331. Please make your request on or before April 12, 2012 to facilitate timely delivery.

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TREEHOUSE FOODS, INC.

2021 SPRING ROAD

SUITE 600

OAK BROOK, ILLINOIS 60523

PROXY STATEMENT

SUMMARY OF THE ANNUAL MEETING

We are furnishing this Proxy Statement (Proxy Statement) in connection with the solicitation of proxies by the Board of Directors (the Board) of TreeHouse Foods, Inc. (TreeHouse, Company, we, us, or our, as the context requires) for use in voting at the Annual Meeting of Stockholde (the Meeting). The Meeting will be held at 2015 Spring Road, Lower Level, Conference Room A, Oak Brook, Illinois 60523, on Thursday, April 26, 2012, at 9:00 a.m. (Central Time). This Proxy Statement is being sent to stockholders on or about March 16, 2012.

The solicitation of proxies from the stockholders is being made by the Board and management of the Company. The costs of this solicitation, including the cost of preparing and mailing the Proxy Statement, the proxy card, notice of the Meeting and annual report, are being paid for by the Company.

Who May Vote

If you are a stockholder of record on March 5, 2012, you are entitled to vote at the Meeting. As of that date, there were 35,953,420 shares of the Company s common stock (Common Stock) outstanding, the only class of voting securities outstanding. You are entitled to one vote for each share of common stock you own, without cumulation, on each matter to be voted upon at the Meeting.

How Proxies Work

Only votes cast in person at the Meeting or received by proxy before the beginning of the Meeting will be counted at the Meeting. Giving us your proxy means you authorize us to vote your shares at the Meeting in the manner you direct. If your shares are held in your name, you can vote by proxy in three convenient ways:

By Internet: Go to *http://www.proxyvoting.com/ths* and follow the instructions.

By Telephone: Call toll-free 1-866-540-5760 and follow the instructions.

By Mail: Complete, sign, date and return your proxy card in the enclosed envelope.

Telephone and Internet voting facilities for stockholders of record will be available 24 hours a day and will close at 11:59 p.m. (Central Time) on April 25, 2012.

As permitted by Securities and Exchange Commission (SEC) rules, TreeHouse is making this Proxy Statement and its annual report available to its stockholders electronically via the Internet. On or about March 16, 2012, we will mail our stockholders a notice (Notice) containing instructions on how to access this Proxy Statement and our annual report and vote online. If you receive a Notice by mail, you will not receive a printed copy of the proxy materials in the mail. Instead, the Notice instructs you on how to access and review all of the important information contained in the Proxy Statement and annual report. The Notice also instructs you on how you may submit your proxy over the Internet. If you receive a Notice by mail and would like to receive a printed copy of our proxy materials, you should follow the instructions for requesting such materials contained in the Notice.

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If your proxy is properly returned, the shares it represents will be voted at the Meeting in accordance with your instructions. If you execute and return your proxy but do not give specific instructions, your shares will be voted as follows:

FOR the election of each of the three nominees for director set forth herein;

FOR the ratification of the selection of Deloitte & Touche LLP as our independent registered public accounting firm for 2012;

FOR the advisory approval of the compensation of the Company s named executive officers (NEOs) as described in this Proxy Statement under Compensation Discussion and Analysis and Executive Compensation;

FOR the approval of the amendment and restatement of our Equity and Incentive Plan, including an increase in the number of shares subject to the plan; and

with respect to any other matter that may properly come before the Meeting, at the discretion of the persons voting the respective proxies.

The Board does not intend to bring any matters before the Meeting except those indicated in the Notice. If any other matters properly come before the Meeting, however, the persons named in the enclosed proxy, or their duly constituted substitutes acting at the Meeting, will be authorized to vote or otherwise act thereon in accordance with their judgment on such matters.

Shares Held Through a Bank, Broker or Other Nominee

If you are the beneficial owner of shares held in street name through a bank, broker or other nominee, such bank, broker or nominee, as the record holder of the shares, must vote those shares in accordance with your instructions. If you do not give instructions to your broker, your broker can vote your shares with respect to discretionary items but not with respect to non-discretionary items. On non-discretionary items, for which you do not give instructions, the shares will be treated as broker non-votes. A discretionary item is a proposal that is considered routine under the rules of the New York Stock Exchange. Shares held in street name may be voted by your broker on discretionary items in the absence of voting instructions given by you. The proposal concerning the ratification of the independent registered public accounting firm (Proposal 2) is discretionary. All other proposals to be voted on at the Meeting are non-discretionary.

Quorum

Stockholders of record may vote their proxies by telephone, Internet or mail. By using your proxy to vote in one of these ways, you authorize any of the three officers whose names are listed on the front of the proxy card accompanying this Proxy Statement to represent you and vote your shares. Holders of a majority of the shares entitled to vote at the Meeting must be present in person or represented by proxy to constitute a quorum. Of course, if you attend the Meeting, you may vote by ballot. If you are not present, your shares can be voted only when represented by a properly submitted proxy. Abstentions and broker non-votes (as described below under the heading Required Vote) are counted for purposes of determining whether a quorum is met.

Revoking a Proxy

Submitting your proxy now will not prevent you from voting your shares at the Meeting if you desire to do so, as your proxy is revocable at your option. You may revoke your proxy at any time before it is voted at the Meeting by:

delivering to Thomas E. O Neill, our Executive Vice President, General Counsel, Chief Administrative Officer and Corporate Secretary, a signed written revocation letter dated later than the date of your proxy;

submitting a proxy to the Company with a later date; or

attending the Meeting and voting in person (your attendance at the Meeting will not, by itself, revoke your proxy; you must also vote in person at the Meeting).

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Required Vote

The election of the nominees for director (Proposal 1) in an uncontested election will become effective only upon the affirmative vote of shares of common stock representing a majority of the votes cast for or against such nominee. The ratification of the selection of our independent registered public accounting firm (Proposal 2), the advisory approval of the compensation of the Company s NEOs as described in this Proxy Statement under Compensation Discussion and Analysis and Executive Compensation (Proposal 3), the approval of the amendment and restatement of our Equity and Incentive Plan, including an increase in the number of shares subject to the plan (Proposal 4), and the approval of any other matter that may properly come before the Meeting will become effective only upon the affirmative vote of shares of common stock representing a majority of the votes cast for or against such proposal. Votes cast as for or against are counted as a vote, while votes cast as abstentions will not be counted as a vote but will be counted for purposes of determining a quorum. Accordingly, abstentions will have the effect of a negative vote. So-called broker non-votes (brokers failing to vote by proxy shares of the common stock held in nominee name for customers on any non-discretionary matters) will not be counted as a vote at the Meeting and will not have a direct impact on any non-discretionary proposal.

Resignation Policy

Our Corporate Governance Guidelines utilize a resignation policy in the election of directors. Accordingly, if an incumbent director nominee receives a greater number of votes marked against his or her election than votes marked for his or her election, that nominee is required to tender his or her resignation following certification of the stockholder vote. The Nominating and Corporate Governance Committee is required to make recommendations to the Board with respect to any such resignation. The Board is required to take action with respect to this recommendation and to disclose its decision-making process.

ELECTION OF DIRECTORS (PROPOSAL 1)

We have a classified Board consisting of three classes. At each annual meeting a class of directors is elected for a term of three years to succeed any directors whose terms are expiring. We believe this classified board structure is appropriate for the Company. Given the size of the Company, we may experience difficulty in identifying and recruiting individuals to serve as directors. Obtaining a three-year commitment from our directors assists us in retaining highly qualified directors who have experience and familiarity with our business and the markets in which we operate. The Board believes that such long-term institutional knowledge benefits TreeHouse and enables the Board to better consider and provide long-term strategic planning.

At the Meeting, you will elect a total of three directors to hold office, subject to the provisions of the Company s By-Laws, until the annual meeting of stockholders in 2015 and until their successors are duly elected and qualified. Unless you indicate otherwise, the shares represented by your proxy will be voted FOR the election of Messrs. Frank J. O Connell, Terdema L. Ussery, II, and David B. Vermylen, the nominees set forth below. The affirmative vote of a majority of the votes cast is required to elect each director. In other words, the number of votes for a director must exceed the number of votes against a director in order to elect such director. For information regarding our resignation policy, see Summary of the Annual Meeting Resignation Policy in this Proxy Statement.

Messrs. O Connell, Ussery, and Vermylen have each agreed to be nominated and to serve as a director if elected. However, if any nominee at the time of his or her election is unable or unwilling to serve, or is otherwise unavailable for election, and as a result, another nominee is designated by the Board, then you or your designee will have discretion and authority to vote or refrain from voting for such nominee.

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Proposal 1 Election of Directors

Election of Frank J. O Connell *Continuing in office Term expiring 2015*

The Nominating and Corporate Governance Committee has recommended and the Board has nominated Mr. O Connell for re-election to the Company s Board. Certain information about Mr. O Connell is set forth below.

FRANK J. O CONNELL was elected as a Director on June 6, 2005. Since June 2004, Mr. O Connell has served as a senior partner of The Parthenon Group, a consulting firm. From November 2000 to June 2002, Mr. O Connell served as President and Chief Executive Officer of Indian Motorcycle Corporation. From June 2002 to May 2004, Mr. O Connell served as Chairman of Indian Motorcycle Corporation. Indian Motorcycle Corporation was liquidated under applicable California statutory procedures in January 2005. From 1996 to 2000, Mr. O Connell served as Chairman, President and Chief Executive Officer of Gibson Greetings, Inc. From 1991 to 1995, Mr. O Connell served as President and Chief Operating Officer of Skybox International. Mr. O Connell has previously served as President of Reebok Brands, North America, President of HBO Video and Senior Vice President of Mattel s Electronics Division. Mr. O Connell holds a B.A. and an M.B.A. from Cornell University. Mr. O Connell is a member of the Audit and Compensation Committees of the Company s Board. As an experienced financial and operational leader with companies in a variety of industries, Mr. O Connell brings a broad understanding of the operating priorities across diverse industries to the Board. Mr. O Connell s strategic consulting experience has contributed significantly to our strategic acquisition approach and extensive due diligence of food industry sectors and target companies.

Election of Terdema L. Ussery, II *Continuing in office Term expiring 2015*

The Nominating and Corporate Governance Committee has recommended and the Board has nominated Mr. Ussery for re-election to the Company s Board. Certain information about Mr. Ussery is set forth below.

TERDEMA L. USSERY was elected as a Director on June 6, 2005. Since April 1997, Mr. Ussery has served as the President and Chief Executive Officer of the Dallas Mavericks, a professional basketball team. Since September 2001, Mr. Ussery has also served as Chief Executive Officer of HDNet, a provider of high definition television programming. From 1993 to 1996, Mr. Ussery served as the President of Nike Sports Management. From 1991 to 1993, Mr. Ussery served as Commissioner of the Continental Basketball Association (the CBA). Prior to becoming Commissioner, Mr. Ussery served as Deputy Commissioner and General Counsel of the CBA from 1990 to 1991. From 1987 to 1990, Mr. Ussery was an attorney at Morrison & Foerster LLP. In addition to our Board, Mr. Ussery currently serves on, or has previously served on, the boards of directors of The Timberland Company and Entrust, Inc. He also serves on the Advisory Board of Wingate Partners, LP and as Chairman of the Board of Commissioners of the Dallas Housing Authority. Mr. Ussery holds a B.A. from Princeton University, an M.P.A. from Harvard University and a J.D. from the University of California at Berkeley. Mr. Ussery is our Lead Independent Director and a member of the Nominating and Corporate Governance Committee of our Board. As the President and CEO of the Dallas Mavericks and the CEO of HDNet, Mr. Ussery brings operating, management experience, leadership capabilities, financial knowledge and business acumen to the Board. Mr. Ussery s experience on other boards adds significantly to governance, compensation and public relations matters.

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***Election of David B. Vermylen** Continuing in office Term expiring 2015*

The Nominating and Corporate Governance Committee has recommended and the Board has nominated Mr. Vermylen for re-election to the Company s Board. Certain information about Mr. Vermylen is set forth below.

DAVID B. VERMYLEN was elected as a Director on August 6, 2009. Mr. Vermylen has been a Senior Advisor to TreeHouse since July 1, 2010. Mr. Vermylen held the positions of President and Chief Operating Officer for TreeHouse, from January 27, 2005 to July 1, 2011. Prior to joining us, Mr. Vermylen was a principal in TreeHouse, LLC, an entity unrelated to the Company that was formed to pursue investment opportunities in consumer packaged goods businesses. From March 2001 to October 2002, Mr. Vermylen served as President and Chief Executive Officer of Keebler Foods, a division of Kellogg Company. Prior to becoming Chief Executive Officer of Keebler, Mr. Vermylen served as the President of Keebler Brands from January 1996 to February 2001. Mr. Vermylen served as the Chairman, President and Chief Executive Officer of Brother s Gourmet Coffee, and Vice President of Marketing and Development and later President and Chief Executive Officer of Mother s Cake and Cookie Co. His prior experience also includes three years with the Fobes Group and fourteen years with General Foods Corporation where he served in various marketing positions. In addition to our Board, Mr. Vermylen currently serves on or has previously served on the boards of directors of Aeropostale, Inc. and Birds Eye Foods, Inc. Mr. Vermylen holds a B.A. from Georgetown University and an M.B.A. from New York University. Mr. Vermylen has proven to be a strong addition to the Board. Mr. Vermylen has a deep understanding of the Company and he brings insight and knowledge from his executive experience at other companies in the food industry and service on public company boards.

RECOMMENDATION:

THE BOARD RECOMMENDS THAT STOCKHOLDERS VOTE FOR THE ELECTION OF ALL

DIRECTOR NOMINEES TO SERVE ON THE COMPANY S BOARD

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RATIFICATION OF THE SELECTION OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM (PROPOSAL 2)

Deloitte & Touche LLP audited our financial statements for fiscal year 2011 and has been selected by the Audit Committee of our Board to audit our financial statements for fiscal year 2012. A representative of Deloitte & Touche LLP will attend the Meeting, where he or she will have the opportunity to make a statement, if he or she desires, and will be available to respond to appropriate stockholder questions.

Stockholder ratification of the selection of Deloitte & Touche LLP is not required by our By-laws. However, our Board is submitting the selection of Deloitte & Touche LLP to you for ratification as a matter of good corporate practice. If our stockholders fail to ratify the selection, our Audit Committee will reconsider whether or not to retain Deloitte & Touche LLP. Even if the selection is ratified, the Audit Committee, in its discretion, may direct the appointment of a different independent registered public accounting firm if they determine such a change would be in the best interests of the Company and the Company s stockholders.

The affirmative vote of a majority of the votes cast is required to approve this Proposal 2.

For information regarding audit and other fees billed by Deloitte & Touche LLP for services rendered in fiscal years 2010 and 2011, see Fees Billed by Independent Registered Public Accounting Firm on page 43 in this Proxy Statement.

RECOMMENDATION:

THE BOARD RECOMMENDS THAT STOCKHOLDERS VOTE FOR THE RATIFICATION OF THE SELECTION OF OUR INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

CORPORATE GOVERNANCE

Current Board Members

The members of the Board on the date of this Proxy Statement, and the committees of the Board on which they serve, are identified below.

Director	Compensation Committee	Audit Committee	Nominating and Corporate Governance Committee
Sam K. Reed			
George V. Bayly			**
Diana S. Ferguson	*	*	
Dennis F. O Brien		*	*
Frank J. O Connell	*	*	
Ann M. Sardini	*	**	
Gary D. Smith	**		
Terdema L. Ussery, II			*
David B. Vermylen			

* Member

** Chairman

Corporate Governance Guidelines and Code of Ethics

We are committed to the highest standards of business integrity and corporate governance. All of our directors, executives and employees must act ethically and in accordance with our Code of Ethics. All of the Company s corporate governance materials, including the Corporate Governance Guidelines, committee charters and the Code of Ethics are published on the Company s website at *www.treehousefoods.com* in the investor relations information section and are also available upon request from the Corporate Secretary. The Board regularly reviews corporate governance developments and modifies the Company s corporate governance materials as warranted. We will post any modifications of our corporate governance materials on our Company s website.

Director Independence

The New York Stock Exchange listing rules require that a majority of the Company s directors be independent. The Board determined that (i) Messrs. Bayly, O Brien, O Connell, Smith and Ussery and Ms. Ferguson and Ms. Sardini have no direct or indirect material relationships with management, and that they satisfy the New York Stock Exchange s independence guidelines and are independent and (ii) that Messrs. Reed and Vermylen are not independent.

All members of our Audit, Compensation and Nominating and Corporate Governance Committees are independent directors. The Board has determined that all of the members of our Audit Committee also satisfy the SEC independence requirement, which provides that they may not accept directly or indirectly any consulting, advisory or other compensatory fee from the Company or any of its subsidiaries other than their directors compensation. The portion of the Corporate Governance Guidelines addressing director independence is attached to this Proxy Statement as *Appendix B.*

Nomination of Directors

The Board is responsible for approving candidates for Board membership and has delegated the process of screening and recruiting potential director nominees to the Nominating and Corporate Governance Committee in consultation with the Chairman of the Board and Chief Executive Officer. The Nominating and Corporate Governance Committee seeks candidates who have a reputation for integrity, honesty and adherence to high ethical standards and who have demonstrated business acumen, experience and an ability to exercise sound judgment in matters that relate to the current and long-term objectives of the Company. The Nominating and Corporate Governance Committee considers diversity as one of a number of factors in identifying nominees for director. The Committee views diversity broadly to include diversity of experience, skills and viewpoint as well as traditional diversity concepts such as race and gender. When the Committee reviews a candidate for Board membership, the Committee looks specifically at the candidate s background and qualifications in light of the needs of the Board and the Company at that time, given the then-current composition of the Board. The aim is to assemble a Board that provides a significant breadth of experience, knowledge and abilities that assist the Board in fulfilling its responsibilities. The members of the Board hold or have held senior executive positions in large, complex organizations and have operating experience that meets this objective. In these positions, they have also gained experience in core management skills, such as strategic and financial planning, public company financial reporting, compliance, risk management and leadership development. Each of our directors also has experience serving on boards of directors and board committees of other public companies and has an understanding of corporate governance practices and trends.

The Nominating and Corporate Governance Committee receives suggestions for new directors from a number of sources, including current Board members and stockholders. It also may, in its discretion, employ a third party search firm to assist in identifying candidates for director. Once a potential director candidate has been identified, including through the recommendation of a stockholder in accordance with the procedures set forth in our By-laws, the Nominating and Corporate Governance Committee evaluates the candidate according to the factors described above.

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BOARD LEADERSHIP STRUCTURE

Board Chairman and CEO Roles

The Board has determined that the appropriate leadership structure for the Board at this time is for Mr. Reed, our Chief Executive Officer and President, to serve as Chairman of the Board, while also selecting an independent, non-management director to serve as a lead director (Lead Independent Director) to provide independent leadership. Mr. Reed possesses detailed and in-depth knowledge of the issues, opportunities and challenges facing the Company and its businesses and is thus best positioned to develop agendas that ensure that the Board s time and attention are focused on the most critical matters.

His combined role enables decisive leadership, ensures clear accountability, and enhances the Company s ability to communicate its message and strategy clearly and consistently to the Company s stockholders, employees, customers and suppliers, particularly during times of turbulent economic and industry conditions.

With the exception of Messrs. Reed and Vermylen, each of the directors is independent and the Board believes that the independent directors provide effective oversight of management.

We do not have a formal policy that requires the Chief Executive Officer or any other member of management to serve as Chairman of the Board and the Board, in its discretion, may subsequently decide to change our leadership structure.

Lead Independent Director

The Company has chosen to combine the Chairman and Chief Executive Officer roles, and as a result the Board appointed the Lead Independent Director to coordinate the activities of the other non-management directors, and to perform such other duties and responsibilities as the Board may from time to time determine.

Currently, the Lead Independent Director is Mr. Ussery. The role of the Lead Independent Director includes:

- Conducting and presiding at executive sessions of the Board;
- Serving as a liaison to and acting as a regular communication channel between the non-employee members of the Board and the Chief Executive Officer of the Company;
- In the event of the unavailability or incapacity of the Chairman of the Board, calling and conducting special meetings of the Board; and
- Consulting with the Chairman and Chief Executive Officer about the concerns of the Board.

While serving as Lead Independent Director, Mr. Ussery has followed governance practices established by the Board that support effective communication and effective Board performance. The Lead Independent Director role fosters a Board culture of open discussion and deliberation, with thoughtful evaluation of risk, to support sound decision-making.

Our directors undergo an annual Board self-evaluation to determine whether the Board and its committees are functioning effectively. As part of the self-evaluation process, directors provide feedback evaluating Board effectiveness and committee effectiveness on multiple criteria. The Nominating and Corporate Governance Committee receives comments from all directors and reports annually to the Board with an assessment of the Board s performance. Each committee also conducts a self evaluation and reports its assessment of effectiveness to the Board. The assessments are discussed with the full Board each year.

Determination That Current Board Leadership Structure is Appropriate

The Board has determined that the current Board leadership structure is appropriate for TreeHouse for the following reasons:

The current structure is working well and the Lead Independent Director is highly effective in his role;

There is strong evidence that the Board is acting independently;

There are effectiveness and efficiency advantages of having a Chairman of the Board with the Chief Executive Officer s significant food industry strategy, marketing, and operations knowledge and experience;

The Board has open discussions and thoughtful deliberations, especially in the evaluation of risk and in support of sound decision-making;

The current size, food industry focus, and relatively straightforward organization structure of the Company allows the Chairman of the Board and Chief Executive Officer roles to be effectively combined; and

The non-management directors meet regularly in private sessions to discuss issues regarding the Company.

The Board s Role in Risk Oversight

Together with the Board s standing committees, the Board is responsible for ensuring that material risks are identified and managed appropriately. The Board and its committees regularly review material operational, financial, compensation and compliance risks with senior management. As part of its responsibilities as set forth in its charter, the Audit Committee is responsible for discussing with management the Company s policies and guidelines to govern the process by which risk assessment and risk management are undertaken by management, including guidelines and policies to identify the Company s major financial risk exposures, and the steps management has taken to monitor and control such exposures. For example, our Vice President of Internal Audit reports to the Audit Committee on a regular basis with respect to compliance with our risk management policies. The Audit Committee also performs a central oversight role with respect to financial and compliance risks, and reports on its findings at each regularly scheduled meeting of the Board after meeting with our Vice President of Internal Audit and our independent auditor, Deloitte & Touche LLP. The Compensation Committee considers risk in connection with its design of compensation programs for our executives. The Nominating and Corporate Governance Committee annually reviews the Company s Corporate Governance Guidelines and their implementation. Each committee regularly reports to the Board.

Meetings of the Board of Directors

The Board met five times during 2011. Each of the members of the Board participated in over 75% of the meetings of the Board and committees that took place while such person was a member of the Board and the applicable committee. Members of the Board are expected to attend each meeting, as set forth in the Company s Corporate Governance Guidelines. It is the Board s policy that all of our directors attend the Annual Meeting of Stockholders absent exceptional cause. All of our directors attended the Annual Meeting of Stockholders in 2011. The non-management directors of the Company meet regularly (at least quarterly) in executive sessions of the Board without management present. The Lead Independent Director presides over non-management sessions.

The Board has established standing Audit, Compensation, and Nominating and Corporate Governance Committees. The Board determines the membership of each of these committees from time to time, and only outside directors serve on these committees.

COMMITTEE MEETINGS/ROLE OF COMMITTEES

Audit Committee: The Audit Committee held six meetings during 2011. The Audit Committee presently consists of Ms. Sardini, Ms. Ferguson and Messrs. O Brien and O Connell. The Audit Committee is composed entirely of independent directors (in accordance with the New York Stock Exchange listing standards and SEC rules). In addition, the Board has determined that Ms. Sardini, Ms. Ferguson, and Messrs. O Brien and O Connell are each qualified as an audit committee financial expert within the meaning of SEC regulations, and the Board has determined that each of them has accounting and related financial management expertise within the meaning of the listing standards of the New York Stock Exchange. The Audit Committee reviews and approves the scope and cost of all audit services (including non-audit services) provided by the firm selected to conduct the audit. The Audit Committee also monitors the effectiveness of the audit effort and financial reporting, and inquires into the adequacy of financial and operating controls. The report of the Audit Committee is set forth later in this Proxy Statement.

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Nominating and Corporate Governance Committee: The Nominating and Corporate Governance Committee held four meetings in 2011. The Nominating and Corporate Governance Committee presently consists of Messrs. Bayly, O Brien, and Ussery. The Nominating and Corporate Governance Committee is composed entirely of independent directors and operates pursuant to a written charter. The purposes of the Nominating and Corporate Governance Committee are (i) to identify individuals qualified to become members of the Board, (ii) to recommend to the Board the persons to be nominated for election as directors at any meeting of the stockholders, (iii) in the event of a vacancy on or increase in the size of the Board, to recommend to the Board the persons to be nominated to fill such vacancy or additional Board seat, (iv) to recommend to the Board the persons to be nominated for each committee of the Board, (v) to develop and recommend to the Board a set of corporate governance guidelines applicable to the Company, including the Company s Code of Ethics, and (vi) to oversee the evaluation of the Board. The Nominating and Corporate Governance Committee will consider nominees who are recommended by stockholders, provided such recommendations are made in accordance with the nominating procedures set forth in the Company s By-laws. The report of the Nominating and Corporate Governance Committee is set forth later in this Proxy Statement.

Compensation Committee: The Compensation Committee held six meetings in 2011. The Compensation Committee presently consists of Messrs. Smith and O Connell, Ms. Ferguson, and Ms. Sardini. The Compensation Committee is composed entirely of independent directors. The Compensation Committee reviews and approves salaries and other matters relating to compensation of the senior officers of the Company, including the administration of the TreeHouse Foods, Inc. Equity and Incentive Plan. The Compensation Committee also reviews the Company s general compensation and benefit policies and programs, administers the Company s 401(k) plan, and recommends director compensation programs to the Board. The report of the Compensation Committee is set forth later in this Proxy Statement.

Role of Compensation Consultants

Committee Consultant

Beginning in 2005, the Compensation Committee engaged an outside independent executive compensation consultant, Hewitt Associates (Hewitt) for advice and counsel regarding executive compensation matters. In January 2010, Hewitt effected a reorganization of its business by spinning-off Meridian Compensation Partners LLC (Meridian) as a separate, independent executive compensation consulting business. After reviewing relevant credentials, in February 2010, the Compensation Committee elected to engage Meridian as the Compensation Committee s on-going independent executive compensation consultant. Meridian does not provide any consulting services to the Company other than the services provided directly to the Compensation Committee. Meridian provides a review of the competitiveness and appropriateness of all elements of compensation for the Chief Executive Officer, Chief Financial Officer and the three most highly compensated executive officers of the Company other than the Chief Executive Officer and Chief Financial Officer (collectively, the Named Executive Officers or NEOs) and advice on new and existing executive compensation programs and other related matters. Meridian is the exclusive consultant to the Compensation Committee regarding executive compensation matters and Hewitt will continue to provide actuarial and broad-based employee compensation and other non-executive compensation consultation to the management of the Company.

At the Compensation Committee s direction, management provides all executive compensation materials to the independent consultant and discusses all such materials and recommendations with the independent consultant. The independent consultant considers the information and provides independent data to the Compensation Committee to facilitate its decision-making process. The independent consultant regularly meets with the Compensation Committee in executive sessions without members of management present.

Management Consultant

Management has retained Hewitt to provide consulting services regarding broad-based employee compensation practices and pension administration and actuarial services, but does not consult with regard to executive compensation matters.

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Fees for Compensation Committee and Management Consultant

In 2011, the Compensation Committee engaged Meridian to provide executive compensation consulting services, and management engaged Hewitt to provide broad-based Compensation consulting services.

STOCK OWNERSHIP

Holdings of Management

The executive officers and directors of the Company own shares, and exercisable rights to acquire shares, representing an aggregate of 2,958,775 shares of Common Stock or approximately 8.2% of the outstanding shares of Common Stock as of March 5, 2012 (see Security Ownership of Certain Beneficial Owners and Management). Such officers and directors have indicated an intention to vote in favor of each Proposal.

Security Ownership of Certain Beneficial Owners and Management

The following table sets forth, as of the close of business on March 5, 2012, certain information with respect to the beneficial ownership of common stock beneficially owned by (i) each director of the Company, (ii) the NEOs, (iii) all executive officers and directors as a group and (iv) each stockholder who is known to the Company to be the beneficial owner, as defined in Rule 13d-3 under the Securities Exchange Act of 1934, as amended (the Exchange Act), of more than 5% of the outstanding Common Stock. Each of the persons listed below has sole voting and investment power with respect to such shares, unless otherwise indicated. The address of the directors and officers listed below is c/o TreeHouse Foods, Inc., 2021 Spring Road, Suite 600, Oak Brook, Illinois 60523.

Name of Beneficial Owner	Common Stock Beneficially Owned	Percent of Class(1)
Directors and Named Officers:		
Sam K. Reed	1,111,095(2)	3.1%
George V. Bayly	32,709(3)	*
Diana S. Ferguson	13,510(4)	*
Dennis F. O Brien	5,910(5)	*
Frank J. O Connell	32,509(6)	*
Ann M. Sardini	11,310(7)	*
Gary D. Smith	33,509(8)	*
Terdema L. Ussery, II	32,509(9)	*
David B. Vermylen	529,838(10)	1.5%
Dennis F. Riordan	203,830(11)	*
Thomas E. O Neill	397,147(12)	1.1%
Harry J. Walsh	385,481(13)	1.1%
Alan T. Gambrel	64,946(14)	*
All directors and executive officers as a group (15 persons)	2,958,775	8.2%
Principal Stockholders:		
Artisan Partners Holdings LP	2,088,675(15)	5.8%
BlackRock, Inc.	2,624,692(16)	7.3%
FMR LLC	4,831,187(17)	13.4%
The Vanguard Group, Inc	1,935,266(18)	5.4%

Except as otherwise noted, the directors and executive officers, and all directors and executive officers as a group, have sole voting power and sole investment power over the shares listed.

(1) An asterisk indicates that the percentage of common stock projected to be beneficially owned by the named individual does not exceed one percent of our common stock outstanding at March 5, 2012.

(2) Includes 539,077 shares of Common Stock issued under options currently exercisable within 60 days of March 5, 2012 and 572,018 shares jointly held in family trusts.

(3) Includes 22,499 shares of Common Stock issued under options currently exercisable within 60 days of March 5, 2012 and 10,010 vested restricted stock units, deferred until termination of service from the Board.

(4) Includes 3,500 shares of Common Stock issued under options currently exercisable within 60 days of March 5, 2012 and 6,310 vested restricted stock units, deferred until termination of service from the Board.

(5) Includes 5,910 vested restricted stock units, deferred until termination of service from the Board.

(6) Includes 22,499 shares of Common Stock issued under options currently exercisable within 60 days of March 5, 2012 and 7,600 vested restricted stock units, deferred until termination of service from the Board.

(7) Includes 1,300 shares of Common Stock issued under options currently exercisable within 60 days of March 5, 2012 and 10,010 vested restricted stock units, deferred until termination of service from the Board.

(8) Includes 22,499 shares of Common Stock issued under options currently exercisable within 60 days of March 5, 2012, 10,010 vested restricted stock units, deferred until termination of service from the Board, and 1,000 shares of Common Stock held jointly in a family trust pledged in a standard margin account.

(9) Includes 22,499 shares of Common Stock issued under options currently exercisable within 60 days of March 5, 2012 and 7,600 vested restricted stock units, deferred until termination of service from the Board.

(10) Includes 331,769 shares of Common Stock issued under options currently exercisable within 60 days of March 5, 2012 and 60,671 shares jointly held in a family trust.

(11) Includes 177,150 shares of Common Stock issued under options currently exercisable within 60 days of March 5, 2012.

(12) Includes 227,184 shares of Common Stock issued under options currently exercisable within 60 days of March 5, 2012.

(13) Includes 227,184 shares of Common Stock issued under options currently exercisable within 60 days of March 5, 2012.

(14) Includes 56,447 shares of Common Stock issued under options currently exercisable within 60 days of March 5, 2012.

(15) We have been informed pursuant to the Schedule 13G filed with the SEC on February 7, 2012 by Artisan Partners Holdings LP (Artisan Holdings) that (i) Artisan Holdings, Artisan Investment Corporation (Artisan Corp.), the general partner of Artisan Holdings, Artisan Partners Limited Partnership (Artisan Partners), Artisan Investments GP LLC, the general partner of Artisan Partners (Artisan Investments), ZFIC, Inc., the sole stockholder of Artisan Corp. (ZFIC), Andrew A. Ziegler and Carlene M. Ziegler aggregately own 2,088,675 shares of our Common Stock; (ii) Artisan Corp., Artisan Partners, Artisan Investments, ZFIC, Andrew A. Ziegler and Carlene

M. Ziegler (A) do not have sole voting power and (B) have shared voting power as to 1,977,075 shares and (C) shared dispositive power as to 2,088,675 shares. The principal business address of Artisan Holdings, Artisan Corp, Artisan Partners, Artisan Investments, ZFIC, Mr. Ziegler and Ms. Ziegler is 875 East Wisconsin Avenue, Suite 800, Milwaukee, WI 53202.

(16) We have been informed pursuant to the Schedule 13G filed with the SEC on February 10, 2012 that (i) BlackRock, Inc. owns 2,624,692 shares of our Common Stock; (ii) BlackRock, Inc. has (A) sole voting power as to 2,624,692 shares and (B) sole dispositive power as to 2,624,692 shares; and (iii) the principal business address of BlackRock, Inc. is 40 East 52nd Street, New York, NY 10022.

(17) We have been informed pursuant to the Schedule 13G filed with the SEC on February 14, 2012 by FMR LLC (FMR), and Edward C. Johnson 3d that (i) Fidelity Management & Research Company, a wholly owned subsidiary of FMR and a registered investment adviser, is the beneficial owner of 4,831,187 shares of our Common Stock as a result of acting as investment adviser to various investment companies registered under Section 8 of the Investment Company Act of 1940; (ii) the ownership of one investment company, Fidelity Contrafund, amounted to 3,553,434 shares of our Common Stock; and (iii) Edward C. Johnson 3d and FMR (A) have sole voting power as to 138,760 shares and (B) Edward C. Johnson 3d and FMR through its control of Fidelity each have sole dispositive power as to 4,623,027 shares. The principal business address of FMR and Fidelity Contrafund is 82 Devonshire Street, Boston, Massachusetts 02109.

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(18) We have been informed pursuant to the Schedule 13G filed with the SEC on February 9, 2012 by The Vanguard Group, Inc. that (i) The Vanguard Group, Inc. beneficially owns 1,935,266 shares of our Common Stock; and (ii) The Vanguard Group, Inc. has (A) sole voting power as to 51,467 shares, (B) sole dispositive power as to 1,883,799 shares and (C) shared dispositive power as to 51,467 shares. The principal business address of The Vanguard Group, Inc. is 100 Vanguard Blvd., Malvern, Pennsylvania 19355.

SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

Section 16(a) of the Exchange Act requires the Company s executive officers and directors and persons who own more than ten percent of a registered class of the Company s equity securities (collectively, the reporting persons) to file reports of ownership and changes in ownership with the SEC and to furnish the Company with copies of these reports. Based on the Company s review of the copies of these reports received by it, and written representations, if any, received from reporting persons with respect to such filings, all the reports were submitted on time.

DIRECTORS AND MANAGEMENT

Directors and Executive Officers

The following table sets forth the names and ages of the Company s directors and executive officers. In addition, biographies of Company s directors and officers are also provided below, with the exception of Messrs. O Connell, Ussery, and Vermylen, whose biographies are set forth in Election of Directors (Proposal 1) in this Proxy Statement.

Name	Age	Position
Sam K. Reed	65(b)	Chief Executive Officer, President, and Chairman of the Board
George V. Bayly	69(a)	Director
Diana S. Ferguson	48(a)	Director
Dennis F. O Brien	54(b)	Director
Frank J. O Connell	68(c)	Director
Ann M. Sardini	62(b)	Director
Gary D. Smith	69(a)	Director
Terdema L. Ussery, II	53(c)	Director
David B. Vermylen	61(c)	Director, Senior Advisor, and Former President and Chief Operating Officer
Dennis F. Riordan	54	Executive Vice President and Chief Financial Officer
Thomas E. O Neill	57	Executive Vice President, General Counsel, Chief Administrative Officer and Corporate Secretary
Harry J. Walsh	56	Executive Vice President of TreeHouse Foods, Inc. and President of Bay Valley Foods, LLC
Alan T. Gambrel	57	Senior Vice President Human Resources for TreeHouse Foods, Inc., and Senior Vice President and Chief Administrative Officer of Bay Valley Foods, LLC
Erik T. Kahler	46	Senior Vice President, Corporate Development
Sharon M. Flanagan	46	Senior Vice President, Strategy, TreeHouse Foods, Inc. and Bay Valley Foods, LLC

(a) Ms. Ferguson and Messrs. Bayly and Smith comprise a class of directors whose terms expire in 2013.
(b) Ms. Sardini and Messrs. O Brien and Reed comprise a class of directors whose terms expire in 2014.
(c) Messrs. O Connell, Ussery, and Vermylen comprise a class of directors who are nominated for re-election in 2012.

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Directors

GEORGE V. BAYLY was elected as a Director on June 6, 2005. Since August 12, 2008, Mr. Bayly has served as principal of Whitehall Investors, LLC, a consulting and venture capital firm. Mr. Bayly served as Chairman and Interim-Chief Executive Officer of Altivity Packaging LLC, a maker of consumer packaging products and services, from September 2006 to March 2008. He also served as Co-Chairman of U.S. Can Corporation from 2003 to 2006 and Chief Executive Officer in 2005. In addition, from January 1991 to December 2002, Mr. Bayly served as Chairman, President and Chief Executive Officer of Ivex Packaging Corporation. From 1987 to 1991, Mr. Bayly served as Chairman, President and Chief Executive Officer of Olympic Packaging, Inc. Mr. Bayly also held various management positions with Packaging Corporation of America from 1973 to 1987. Prior to joining Packaging Corporation of America, Mr. Bayly served as a Lieutenant Commander in the United States Navy. In addition to our Board, Mr. Bayly currently serves on, or has previously served on, the boards of directors of ACCO Brands Corporation, Graphic Packaging Holding Company, Huhtamaki Oyj and Ryt-Way Industries Inc., General Binding Corporation, Packaging Dynamics, Inc., U.S. Can Corporation and Altivity Packaging LLC. Mr. Bayly holds a B.S. from Miami University and an M.B.A from Northwestern University. Mr. Bayly is Chairman of the Nominating and Corporate Governance Committee of our Board. As a former executive of numerous large companies and a principal of a consulting and venture capital firm, Mr. Bayly has a broad understanding of the operational, financial and strategic issues facing public and private companies. This experience gives him valuable knowledge and perspective as Chairman of the Nominating and Corporate Governance Committee.

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DIANA S. FERGUSON was elected as a Director on January 25, 2008. From February 2010 to May 2011, Ms. Ferguson served as Chief Financial Officer of Chicago Public Schools. Previously, Ms. Ferguson served as Senior Vice President and Chief Financial Officer of The Folgers Coffee Company, a maker of coffee products, from April 2008 to November 2008. Prior to joining Folgers, Ms. Ferguson served as the Executive Vice President and Chief Financial Officer of Merisant Worldwide, Inc., a maker of table-top sweeteners and sweetened food products from April 2007 until March 2008. On January 6, 2009, Merisant Worldwide, Inc. filed for reorganization under Chapter 11 of the U.S. Bankruptcy Laws. Ms. Ferguson also served as the Chief Financial Officer of Sara Lee Foodservice, a division of Sara Lee Corporation from June 2006 to March 2007. She had previously served in a number of leadership positions at Sara Lee Corporation including Senior Vice President of Strategy and Corporate Development from February 2005 to June 2006, as well as Treasurer from January 2001 to February 2005. Earlier, she held treasury management positions at Fort James Corporation, from 2000 to 2001 and Eaton Corporation from 1995 to 2000, she also served in various financial positions at Federal National Mortgage Association (Fannie Mae) from 1993 to 1995, the First National Bank of Chicago from 1989 to 1993 and IBM from 1985 to 1989. In addition to our Board, Ms. Ferguson has previously served on the board of directors of Integrys Energy Group. Ms. Ferguson holds a B.A. from Yale University and a Masters degree from Northwestern University. Ms. Ferguson is a member of the Audit and Compensation Committees of our Board. Ms. Ferguson has significant finance, acquisitions and food industry expertise as evidenced by her leadership roles at Folgers and Sara Lee Corporation. Given her expertise and financial acumen, Ms. Ferguson has proven to be an important contributor to Board deliberations on financial, corporate and strategic matters.

DENNIS F. O BRIEN was elected as a Director on August 6, 2009. Since April 2008, Mr. O Brien has served as a partner of Gryphon Investors, Inc., a private equity firm. Prior to joining Gryphon, Mr. O Brien was the Chief Executive Officer of Penta Water Company, a maker of bottled water, from April 2007 to April 2008. Mr. O Brien held a series of executive positions with ConAgra Foods, Inc., including President and Chief Operating Officer, Retail Products from 2004 to 2006, President and Chief Operating Officer, Grocery Foods from 2002 through 2004, Executive Vice President, Grocery Foods from 2001 to 2002 and President, ConAgra Store Brands from 2000 through 2001. In addition, Mr. O Brien previously held executive and marketing positions at Armstrong World Industries, Campbell s Soup Company, Nestle S.A. and Procter & Gamble. Mr. O Brien holds a Bachelor of Science degree in marketing from the University of Connecticut. Mr. O Brien is a member of the Audit and Nominating and Corporate Governance Committees of our Board of Directors. Mr. O Brien provides insight and perspective on strategic, marketing and food industry matters stemming in part from his significant food industry experience.

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SAM K. REED is the Chairman of our Board. Mr. Reed has served as our Chief Executive Officer since January 27, 2005 and President since July 1, 2011. Prior to joining us, Mr. Reed was a principal in TreeHouse LLC, an entity unrelated to the Company that was formed to pursue investment opportunities in consumer packaged goods businesses. From March 2001 to April 2002, Mr. Reed served as Vice Chairman of Kellogg Company. From January 1996 to March 2001, Mr. Reed served as the President and Chief Executive Officer, and as a director of Keebler Foods Company. Prior to joining Keebler, Mr. Reed served as Chief Executive Officer of Specialty Foods Corporation s (unrelated to Dean Foods) Western Bakery Group division from 1994 to 1995. Mr. Reed has also served as President and Chief Executive Officer of Mother s Cake and Cookie Co. and has held Executive Vice President positions at Wyndham Bakery Products and Murray Bakery Products. In addition to our Board, Mr. Reed has previously served on the Board of Directors of Weight Watchers International, Inc. and Tractor Supply Company. Mr. Reed holds a B.A. from Rice University and an M.B.A. from Stanford University. Mr. Reed has led a transformation of the Company focused on increasing value for customers and stockholders. With Mr. Reed s broad experience and deep understanding of the Company and the food industry, and as Chief Executive Officer, he provides leadership and industry experience to the Board and to the Company.

ANN M. SARDINI was elected as a Director on May 1, 2008. Since April 2002, Ms. Sardini has served as the Chief Financial Officer of Weight Watchers International, Inc. She served as Chief Financial Officer of Vitamin Shoppe.com, Inc., a seller of vitamins and nutritional supplements, from September 1999 to December 2001, and from March 1995 to August 1999 she served as Executive Vice President and Chief Financial Officer for the Children s Television Workshop. In addition, Ms. Sardini has held finance positions at QVC, Inc., Chris Craft Industries and the National Broadcasting Company. In addition to our Board, Ms. Sardini currently serves on or has previously served on the boards of directors of Weight Watchers Danone China Co. Ltd. and Venaca Inc. Ms. Sardini holds a B.A. from Boston College and an M.B.A from Simmons College Graduate School of Management. Ms. Sardini is Chairman of the Audit Committee and a member of the Compensation Committee of our Board. Ms. Sardini has over 20 years of experience in senior financial management positions in branded media and consumer products companies. She provides independent guidance to the Board on a wide variety of general corporate and strategic matters based on her extensive executive experience, financial experience as chief financial officer of a public company, and broad business background.

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	GARY D. SMITH was elected as a Director on June 6, 2005. Since January 2001, Mr. Smith has served as Chief Executive Officer and Chairman of Encore Associates, Inc., a consulting firm specializing in serving the national food and retail goods sectors, and since 2005 he has been a Managing Director of Encore Consumer Capital. From April 1995 to December 2004, Mr. Smith served as Senior Vice President Marketing of Safeway Inc. In addition, Mr. Smith held various management positions at Safeway Inc. from 1961 to 1995. In addition to our Board, Mr. Smith currently serves on or has previously served on the boards of directors of AgriWise, Inc., Altierre Corporation, Philly s Famous Water Ice, Inc., the Winery Exchange, Inc., and Aidells Sausage Company, Inc. Mr. Smith is an experienced business leader with skills that make him a valuable asset in his role as the Chairman of the Compensation Committee of our Board. Mr. Smith s deep understanding of the grocery channel and experience as an acquirer and investor in businesses adds significantly to acquisitions and customer insight.

Executive Officers

Dennis F. Riordan is our Executive Vice President and Chief Financial Officer. From January 3, 2006 to July 1, 2011 Mr. Riordan was Senior Vice President and Chief Financial Officer of the Company. Prior to joining us, Mr. Riordan was Senior Vice President and Chief Financial Officer of Océ-USA Holding, Inc., a manufacturer of printers and printing supplies and services, where he was responsible for the company s financial activities in North America. Mr. Riordan joined Océ-USA, Inc. in 1997 as Vice President and Chief Financial Officer and was elevated to Chief Financial Officer of Océ-USA Holding, Inc. in 1999. In 2004, Mr. Riordan was named Senior Vice President and Chief Financial Officer and assumed the chairmanship of the company s wholly owned subsidiaries Arkwright, Inc. and Océ Mexico de S.A. Previously, Mr. Riordan held positions with Sunbeam Corporation, Wilson Sporting Goods and Coopers & Lybrand. Mr. Riordan has also served on the boards of directors of Océ-USA Holdings, Océ North America, Océ Business Services, Inc. and Arkwright, Inc., all of which are wholly owned subsidiaries of Océ NV. Mr. Riordan is a Certified Public Accountant and holds a B.A. from Cleveland State University.

Thomas E. O Neill is our Executive Vice President, General Counsel, Chief Administrative Officer and Corporate Secretary. From January 27, 2005 to July 1, 2011 Mr. O Neill was Senior Vice President, General Counsel, Chief Administrative Officer, and Corporate Secretary of the Company. Prior to joining us, Mr. O Neill was a principal in TreeHouse, LLC, an entity unrelated to the Company that was formed to pursue investment opportunities in consumer packaged goods businesses. From February 2000 to March 2001, he served as Senior Vice President, Secretary and General Counsel of Keebler Foods Company. He previously served at Keebler as Vice President, Secretary and General Counsel from December 1996 to February 2000. Prior to joining Keebler, Mr. O Neill served as Vice President and Division Counsel for the Worldwide Beverage Division of the Quaker Oats Company from December 1994 to December 1996; Vice President and Division Counsel of the Gatorade Worldwide Division of the Quaker Oats Company from 1991 to 1994; and Corporate Counsel at Quaker Oats from 1985 to 1991. Prior to joining Quaker Oats, Mr. O Neill was an attorney at Winston & Strawn LLP. In 1991, Mr. O Neill completed the Program for Management Development at Harvard Business School. Mr. O Neill holds a B.A. and J.D. from the University of Notre Dame.

Harry J. Walsh is an Executive Vice President of TreeHouse and President of Bay Valley Foods, LLC (Bay Valley Foods). From January 27, 2005 to July 1, 2011, Mr. Walsh served in the position of Senior Vice President of TreeHouse Foods, Inc. and President of Bay Valley Foods, LLC. From January 2005 through July 2008 Mr. Walsh served in the position of Senior Vice President Operations of TreeHouse. Prior to joining us, Mr. Walsh was a principal in TreeHouse, LLC, an entity unrelated to the Company that was formed to pursue investment opportunities in consumer packaged goods businesses. From June 1996 to October 2002, Mr. Walsh served as Senior Vice President of the Specialty Products Division of Keebler Foods Company. Mr. Walsh was President and Chief Operations Officer of Bake-Line Products from March 1999 to February 2001; Vice

President-Logistics and Supply Chain Management from April 1997 to February 1999; Vice President-Corporate Planning and Development from January 1997 to April 1997; and Chief Operating Officer of Sunshine Biscuits from June 1996 to December 1996. Prior to joining Keebler, Mr. Walsh served as Vice President of G.F. Industries, Inc. and President and Chief Operating Officer and Chief Financial Officer for Granny Goose Foods, Inc. Prior to entering the food industry, Mr. Walsh was an accountant with Arthur Andersen & Co. Mr. Walsh holds a B.A. from the University of Notre Dame.

Alan T. Gambrel is our Senior Vice President Human Resources for TreeHouse and, since July 2008, Senior Vice President and Chief Administrative Officer for Bay Valley Foods, LLC. Mr. Gambrel has served as Senior Vice President Human Resources since 2005. Prior to joining TreeHouse, Mr. Gambrel served as Vice President of Administration for Bake Line Group from 2001, until it filed for bankruptcy protection in January 2004. From 1999 to 2001 he was the Vice President of Human Resources for Keebler Foods Company. He previously served as Vice President Human Resources for Stella Foods from 1994 to 1999. His prior experience also includes Senior Human Resource positions at Kraft Foods and PepsiCo. Mr. Gambrel served as President of the Alumni Advisory Board for Michigan State s School of Management from 2004 to 2006. Mr. Gambrel holds a B.A. from Michigan State University.

Erik T. Kahler is our Senior Vice President Corporate Development. Prior to joining TreeHouse, Mr. Kahler served as Managing Director of Dresdner Kleinwort Securities, LLC, a full service lending global investment bank for public and private companies, from May 2004 to October 2006. From November 1997 to July 2003, Mr. Kahler held senior investment banking leadership roles at Citigroup, Inc., as Director Mergers and Acquisitions Citigroup Global Markets Holdings Inc. and at Wasserstein Perella & Company, Inc., where he was Vice President Mergers and Acquisitions. Prior to joining Wasserstein Perella, Mr. Kahler worked for Ernst & Young and CIBC in various financial advisory roles. Mr. Kahler holds a B.A. from Colorado College and an M.B.A. from J.L. Kellogg Graduate School of Management at Northwestern University.

Sharon M. Flanagan is our Senior Vice President Strategy. Prior to joining TreeHouse, Ms. Flanagan was a partner in McKinsey & Company s Consumer Packaged Goods and Retail Practices from March 1994 to July 2007. McKinsey & Company is a preeminent worldwide management consulting firm. Ms. Flanagan held various leadership roles at McKinsey including co-leadership of the Consumer and Retail Practice for the Chicago office. As a strategy, operations and marketing consultant, Ms. Flanagan served numerous Fortune 100 companies over her tenure. Prior to joining McKinsey, Ms. Flanagan worked in marketing for General Mills. Ms. Flanagan serves on the Board of Land O Frost Foods and is a member of The Chicago Network. Ms. Flanagan holds a B.A. from Dartmouth College, and an M.B.A. from J.L. Kellogg Graduate School of Management at Northwestern University.

Compensation Risk Assessment

Senior human resource executives of the Company have conducted a risk assessment of our employee compensation programs, including our executive compensation programs. The Compensation Committee and its consultant reviewed and discussed the findings of the assessment and concluded that our employee compensation programs are designed with the appropriate balance of risk and reward in relation to our Company s overall business strategy and do not incentivize executives or other employees to take unnecessary or excessive risks. As a result, we believe that risks arising from our employee compensation policies and practices are not reasonably likely to have a material adverse effect on the Company. In its discussions, the Compensation Committee considered the attributes of our programs in 2011, including:

- The appropriate compensation mix between fixed (base salary) and variable (annual and long-term incentive) pay opportunities;
- The assessment of fixed, variable, and total direct compensation pay opportunities with market data and market practices for the NEOs;
- The alignment of annual and long-term incentive award objectives to ensure that both types of awards encourage consistent behaviors and sustainable performance results;
- Performance metrics that are tied to key Company measures of short and long-term performance;

The alignment of the timing of the achievement and realization of income from annual and long-term incentive performance and payouts from these plans;

Stretch yet achievable performance targets in the annual and long-term incentive plans; and

The mix of long-term incentive vehicles that encourage value creation, retention, and stock price appreciation.

COMPENSATION DISCUSSION AND ANALYSIS

This section provides information regarding the compensation program in place for NEOs. This section includes information regarding, among other things, the overall objectives of our compensation program and each element of compensation that we provide.

Objectives of Our Compensation Program

TreeHouse was formed in 2005 by Dean Foods Company through a spin-off of the Dean Specialty Foods Group and the subsequent issuance of TreeHouse common stock to Dean Foods shareholders. Six months prior to the spin-off, Dean Foods Company recruited Messrs. Reed, Vermylen, O Neill, Walsh and E. Nichol McCully (our former CFO who retired in April 2006) to lead the Company. These individuals collectively invested $10 million of their own money in Company stock and received a compensation package that Dean Foods Company determined was fair and comparable to other spun-off companies. In connection with the spin-off, on June 28, 2005, Messrs. Reed, Vermylen, O Neill, Walsh and McCully received restricted stock and restricted stock units which would vest only after performance criteria were achieved (referred to as the Founder Award Grant) as well as pre-approved stock options.

Since the Company s inception in 2005, our overriding compensation philosophy, goals and objectives for executive compensation programs have been:

To attract, motivate and retain superior leadership talent for the Company.

To closely link NEO compensation to our performance goals with particular emphasis on rapid growth, operational excellence and acquisitions through attractive annual incentive opportunities based on stretch targets.

To support business strategies, plans and initiatives that drive superior long-term value for shareholders.

To link pay to performance by providing a significant majority of NEOs total compensation opportunity in variable or pay at risk compensation programs (annual and long-term incentive plans).

To align our NEOs financial interests with those of our stockholders by delivering a substantial portion of their total compensation in the form of equity awards and other long-term incentive vehicles.

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Summary of 2011 Executive Compensation Program

The following table provides an overview of TreeHouse compensation programs and program objectives for our NEOs.

Program	Descriptions	Program Objectives
Annual Cash Compensation		
Base Salary	Fixed cash compensation based on size and scope of individual s role and level of performance	Retain & attract talented executives Motivate individual contribution
Annual Cash Incentive Plan	Target annual incentive awards are expressed as a percent of base salary, are payable in cash, and range from 0% - 200% of target depending on Company performance	Drive high performance on Operating Net Income & Cash Flow Encourage collaboration across teams and business units
Long Term Incentive Compensation		
Stock Options	Equity awards that vest annually in three approximately equal tranches, beginning one year from grant date; represented 37.5% of grant value for NEOs in 2011	Drive long-term share price appreciation Increase stock ownership & alignment with shareholders
Cash Long-Term Incentive Plan	Performance-based, overlapping 2 1/2 year performance cycle, running from 7/1/11-12/31/13; represented 37.5% of grant value for NEOs in 2011	Retain talented executives Drive long-term performance on Operating Net Income
Restricted Stock Units	Time-based equity awards that vest annually in three approximately equal tranches, beginning one year from grant date; represented 25% of grant value for NEOs in 2011	Retain talented executives Increase stock ownership & alignment with shareholders

Total Compensation Pay Mix and Pay-for-Performance

We believe our key stakeholders, including stockholders and employees, are best served by having our executives focused and rewarded based on the long-term results of the Company. In addition, it is important that a significant portion of NEO pay be tied to incentive compensation to reinforce our pay-for-performance compensation philosophy.

In 2011, at target, NEOs received over half (51-60%) of their total compensation opportunity through the long-term incentive award. In addition, NEOs received approximately 20% of their total compensation opportunity in the form of the annual incentive award. In total, over two-thirds of NEOs total direct compensation opportunity is delivered in incentive compensation, which supports our pay-for-performance compensation philosophy.

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Total Compensation Pay Mix of NEOs in 2011

Executives*	% Base Salary	% Annual Incentive	% Long-Term Incentive
Sam K. Reed	20%	20%	60%
Thomas E. O Neill	30%	19%	51%
Dennis F. Riordan	30%	19%	51%
Harry J. Walsh	30%	19%	51%
Alan T. Gambrel	30%	18%	52%

* Does not include Mr. Vermylen as he was an employee only for the first half of 2011 and did not receive an employee long-term incentive award in 2011.

We have worked with the Compensation Committee s consultant, Meridian, to review our compensation programs to ensure competitiveness and benchmark these programs with companies with whom we compete for our management talent. These companies consist of competitors in one or more of our product categories and other similar companies in the private label and general food and beverage industry and form TreeHouse s compensation comparator group (the Compensation Comparator Group). In 2010, the Compensation Comparator Group was refined by Meridian and TreeHouse management, to ensure these peer companies were all substantively in comparable industries and were similar in revenue size to TreeHouse. To this end, three companies in the 2009 Compensation Comparator Group (Alberto Culver, Church & Dwight, and Libbey Inc.) were removed because they were not principally in the food and beverage industry. In addition, six new peer companies were added: Corn Products, Hain Celestial, Snyder s-Lance, Inc., Green Mountain Coffee, J&J Snack, and American Italian Pasta Company (subsequently removed when acquired in 2010). The refined 2011 Compensation Comparator Group is as follows:

Company	2010 Annual Revenues	March 31, 2011 Market Capitalization
HORMEL FOODS	$ 7,221	$ 7,351
HERSHEY	$ 5,671	$ 8,940
JM SMUCKER CO	$ 4,605	$ 8,093
RALCORP HOLDINGS	$ 4,049	$ 3,927
DEL MONTE FOODS*	$ 3,740	$ 3,778
CORN PRODUCTS	$ 4,367	$ 3,745
CHIQUITA BRANDS	$ 3,227	$ 6,360
MCCORMICK AND CO	$ 3,337	$ 693
SANDERSON FARMS	$ 1,925	$ 1,054
GREEN MOUNTAIN COFFEE	$ 1,357	$ 10,005
SENECA FOODS CORP	$ 1,280	$ 349
LANCASTER COLONY	$ 1,057	$ 1,652
SNYDER S-LANCE, INC	$ 980	$ 1,346
HAIN CELESTIAL GROUP	$ 917	$ 1,422
J&J SNACK FOODS	$ 697	$ 884
PEER GROUP MEDIAN	$ 3,227	$ 3,973
PEER GROUP AVERAGE	$ 2,962	$ 3,745
TREEHOUSE FOODS	$ 1,817	$ 2,042

* Del Monte Foods was taken private in March of 2011 and will be excluded from our 2012 Compensation Comparator Group. The market capitalization number represents value on December 31, 2010.

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In addition to the Compensation Comparator Group, Meridian provides survey data for other companies of similar size to the Company from both general industry and the packaged foods sector. We believe that this additional information broadens our awareness of the practices of companies with whom we compete for management talent. Meridian then uses a combination of these sources to help us determine appropriate salary levels, annual incentive target percentages and metrics used in the annual incentive plan, and appropriate long-term incentive plan design including grant values for our Named Executive Officers. The Compensation Committee also considers recommendations from the Company s Chief Executive Officer regarding salary, annual incentive and long-term incentive awards for senior executives.

Once NEO total compensation opportunities have been determined using the above-mentioned executive compensation data sources, we reward our management team with respect to annual and long-term incentives based on how well we perform compared to a broader food and beverage-focused performance comparator group (the Performance Comparator Group). We do this by considering the market expectations of the Performance Comparator Group in setting our budgets with targets reflecting performance that exceeds the expected performance of this group. We believe this provides a clear and objective way of ensuring our management team s compensation and incentives are aligned with stockholder interests.

The following companies are included in our Performance Comparator Group:

Archer Daniels Midland Co.	Flower Foods, Inc.	Kraft Foods Inc.
B&G Foods, Inc.	General Mills, Inc.	Lancaster Colony Corp.
Campbell Soup Co.	Hain Celestial Group, Inc.	Lance, Inc.
ConAgra Foods Inc.	H.J. Heinz Company	McCormick & Co. Inc.
Corn Products Int l	J&J Snack Foods Corp.	Peet s Coffee and Tea
Del Monte Foods	JM Smucker Co.	Ralcorp Holdings Inc.
Farmer Bros. Inc.	Kellogg Co.	Sara Lee Corp.

Role of 2011 Advisory Approval of Executive Compensation in the Compensation Setting Process

The Compensation Committee reviewed the results of the 2011 stockholder advisory approval of NEO compensation and incorporated the results as one of many factors considered in connection with the discharge of its responsibilities. Because a substantial majority (over 96%) of our stockholders approved the compensation program described in our 2011 proxy statement, the Compensation Committee did not implement changes to our executive compensation program.

Components of Compensation

There are three primary components to our management compensation program: base salary, annual cash incentive and long-term incentive compensation. Our management team has been assembled to lead a growth company that will expand significantly in size and complexity over time. We believe that total compensation (base salary, annual cash incentive and long-term incentive) should be in the third quartile of our competitive benchmarks when those benchmarks are size adjusted (through regression analysis) to our current revenue size. We seek to have each of these components at levels that are competitive with our Compensation Comparator Group. The Company continues to assess the competitive position of each of our components of compensation in relation to our competitors.

Base Salary: We have positioned the base salary somewhat above the median for similarly sized businesses, allowing us to attract talent that has the ability to grow and lead a much larger business in the near future. For 2011, we increased the salaries for the executive officers and management by 3.0%, effective no later than March 16, 2011, after evaluating market data from several leading survey sources (including Hewitt, Hay Group and Mercer).

Annual Cash Incentive Plan: Our NEOs annual incentive opportunity also reflects a third quartile position. The annual incentive for NEOs is based on attaining specific annual performance targets such as the operating net income targets determined by the Board, as adjusted positively or negatively for one-time items, and cash flow targets. The operating net income measure has been selected because it aligns with and helps drive

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our profitable growth strategy. The operating cash flow measure has been chosen because substantive positive cash flow enables us to pay down debt and help fund our growth through acquisition strategy.

For 2011, the amount of the potential incentive was 80% tied to the achievement of an operating net income target of $119.06 million (based on the Company s budgeted operating net income established by the Compensation Committee), adjusted (as approved by the Compensation Committee) for acquisitions and one-time items. The remaining 20% of the potential incentive was tied to the achievement of an operating cash flow target of $93.00 million. We do not otherwise use discretion in determining the amount of incentive paid to NEOs. We consider the market expectations of our stock and year-over-year internal stretch goals, in setting our budget with targets reflecting performance that exceeds the expected performance of our Performance Comparator Group. In establishing goals, the Compensation Committee strives to ensure that the targets are consistent with the strategic goals set by the Board, and that the goals set are sufficiently ambitious so as to provide meaningful results, but with an opportunity to exceed targets if performance exceeds expectations. We believe the annual incentive plan keeps management focused on attaining strong near term financial performance. The 2011 annual incentive opportunity for the NEOs was awarded as follows:

		Minimum	Target	Maximum
Sam K. Reed	Chairman, Chief Executive Officer, and President	$ 0	$ 911,000	$ 1,822,000
David B. Vermylen*	Senior Advisor and Former President and Chief Operating Officer	$ 0	$ 243,600	$ 487,200
Dennis F. Riordan	Executive Vice President and Chief Financial Officer	$ 0	$ 276,900	$ 553,800
Thomas E. O Neill	Executive Vice President, General Counsel, Chief Administrative Officer and Corporate Secretary	$ 0	$ 276,900	$ 553,800
Harry J. Walsh	Executive Vice President of TreeHouse Foods, Inc. and President of Bay Valley Foods, LLC	$ 0	$ 276,900	$ 553,800
Alan T. Gambrel	Senior Vice President of Human Resources for TreeHouse Foods, Inc. and Senior Vice President and Chief Administrative Officer of Bay Valley Foods, LLC	$ 0	$ 216,600	$ 433,200

* Effective July 1, 2011, Mr. Vermylen was no longer an employee and became an advisor to the Company. Mr. Vermylen was eligible to receive a payout of his award on a pro rata basis, based on the number of months he was employed divided by twelve.

NEOs begin to earn payouts under the plan upon achievement of 90% of the operating net income and operating cash flow targets ratably up to the achievement of targeted payment upon the full achievement of 100% of the operating net income and operating cash flow targets. In addition, a NEO can earn 200% of the targeted payment if 110% or more of the targeted operating net income and operating cash flow is achieved. In 2011, after adjusting for unusual and one-time items and acquisitions, we attained $100.53 million in operating net income or 84.4% of the operating net income target, which provided a payout of 0% on this performance measure. In 2011, TreeHouse achieved $72.55 million of the operating cash flow or 78.0% of the cash flow target which resulted in a 0% of target payment on this performance measure. Therefore, none of our NEOs received an annual cash incentive award with respect to 2011 performance.

Long-Term Incentive Compensation: The long-term incentive compensation program also reflects a third quartile position and was established to ensure that our senior management team is focused on long-term growth, profitability, and value creation. We believe our key stakeholders, including stockholders and employees, are best served by having our executives focused and rewarded based on the longer-term results of our Company. We accomplish this through five primary programs:

Stock Options

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Restricted Stock

Restricted Stock Units

Performance Units

Cash Long-Term Incentive Plan

2011 Long-Term Incentive Grant

In 2010, TreeHouse management and Meridian undertook a rigorous, extensive project to redesign the long-term incentive (LTI) plan. The LTI plan designs of our Compensation Comparator Group were carefully reviewed for prevalence and mix of long-term incentive vehicles utilized in their programs. Balancing the needs of our business strategy, market practices, and share availability, the following LTI plan was designed, approved, and implemented in 2010 and continued in 2011:

For NEOs and TreeHouse Senior Vice Presidents, we utilized three LTI vehicles to deliver the appropriate value: non-qualified stock options, restricted stock units and a performance-based cash LTI plan (Cash LTIP).

Stock Options: The non-qualified stock options vest annually in three approximately equal tranches, beginning on the first anniversary of the grant date, and represented 37.5% of the LTI grant value to NEOs.

Restricted Stock Units: The restricted stock units vest annually in three approximately equal tranches, beginning on the first anniversary of the grant date, and represented 25% of the LTI grant value to NEOs.

Cash LTIP: Unlike our Annual Cash Incentive Plan (AIP), which is based on two performance measures, the Cash LTIP has a single performance measure of operating net income. The performance targets for the Cash LTIP are set by considering the long-term market expectations of our stock and by setting targets that exceed the long-term EPS growth targets of our Performance Comparator Group. The Cash LTIP pays out on the third anniversary of the date of grant and is based on achieving operating net income results in each of the performance periods listed below, and represented 37.5% of the LTI grant value to NEOs. The performance periods of the 2011 Cash LTIP are as follows: July 1, 2011 through December 31, 2011; calendar year 2012; calendar year 2013; and the cumulative period July 1, 2011 through December 31, 2013. For the performance period July 1, 2011 through December 31, 2011, the operating net income target was $81.2 million. The operating net income targets for calendar years 2012, 2013 and the cumulative performance period are 111.5% of calendar year 2011 operating net income budget, 111.8% of the calendar year 2012 target, and the sum of the three target amounts, respectively. There is no payout below 80% achievement, and payout is up to 200% of target if achievement meets or exceeds 120% of the operating net income target.

For other TreeHouse and Bay Valley Foods senior leaders, we delivered the LTI value using two vehicles: restricted stock units and performance units.

The restricted stock units vest ratably over a three year period, beginning on the first anniversary of the grant date, and represented 50% of the LTI grant value to other senior leaders at TreeHouse and Bay Valley Foods.

The performance units are earned based on achieving operating net income goals in each of the performance periods listed below and represented 50% of the LTI grant value to other senior leaders. The performance periods of the 2011 performance units are as follows: July 1, 2011 through December 31 2011; calendar year 2012; calendar year 2013; and the cumulative period July 1, 2011 through December 31, 2013. The performance units will be converted to stock or cash at the discretion of the Compensation Committee on the third anniversary of the date of grant. The Company expects the performance units to be settled in stock and has the shares available to do so. For the performance period July 1, 2011 through December 31, 2011, the operating net income target was $81.2 million. The operating net income targets for calendar years 2012, 2013 and the cumulative performance period are

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111.5% of calendar year 2011 operating net income budget, 111.8% of the calendar year 2012 target, and the sum of the three target amounts, respectively. The number of units that will be earned is based on the level of achievement relative to the targets. There is no payout below 80% achievement, and payout is up to 200% of target if achievement meets or exceeds 120% of the operating net income target.

For all other eligible participants, the LTI value was delivered through the granting of restricted stock units that vest ratably over a three year period on the anniversary of the grant date.

Stock Ownership and Holding Policies

Since the Company s inception in 2005, when the original five NEOs invested $10 million of their own money into the Dean Specialty Foods spin-off, we have maintained a strong stock ownership culture at TreeHouse, with our NEO stock positions traditionally exceeding stock ownership guidelines at nearly all Fortune 500 companies. In addition, the NEO team beneficially owns approximately 7.5% of TreeHouse shares outstanding as of March 5, 2012.

Consistent with prevalent and best practices at publicly traded companies, in February 2012 we adopted formal stock ownership guidelines for our corporate officers. These guidelines provide that our officers achieve, within five years of reaching officer status, specified stock ownership levels, based on a multiple of such officer s base salary. Shares of stock owned outright or through a trust, restricted stock and restricted stock units count towards fulfillment of the guidelines. The required stock ownership levels that must be attained by our corporate officers within the five-year period are as follows:

Position	Required Share Ownership Level
Chief Executive Officer	5X of Base Salary
Other Named Executive Officers	3X of Base Salary
Other Senior Vice Presidents	2X of Base Salary

All of our corporate officers are currently in compliance with these guidelines.

Based on the practice of significant stock ownership at TreeHouse and desire to give freedom of choice, we do not have equity holding policies for employees upon the exercise of stock options and the vesting of restricted stock or restricted stock units.

General Comp ensation Matters

All matters of our executive compensation programs are reviewed and approved by the Compensation Committee of the Board. This includes approving both the amounts of compensation and the timing of all grants. The Compensation Committee is given full access to its compensation expert, and has elected to use Meridian to provide consulting services with respect to the Company s executive compensation practices including salary, bonus, perquisites, equity incentive awards, deferred compensation and other matters. The Compensation Committee regularly meets with Meridian representatives without the presence of Company management.

More details regarding the employment agreements of our management investors are summarized below.

Executive Perquisites: TreeHouse annually reviews the Company s practices for executive perquisites with the assistance of Meridian. We believe that the market trend is moving toward a cash allowance in lieu of various specific executive benefits such as automobile plans, financial planning consulting or club fees. We have granted an annual allowance of $25,000 to Mr. Reed and $10,000 to Messrs. O Neill, Walsh, Riordan, and Gambrel to cover these types of benefits. This approach reduces the administrative burden of such programs and satisfies the desire to target market practices. These allowances are not included as eligible compensation for bonus or other purposes, and do not represent a significant portion of the executive s total compensation. Our Board has also adopted policies regarding the personal use of the Company-owned aircraft by our NEOs. Generally, personal use is permitted, subject to availability. Personal use of the Company aircraft is principally that of our Chief Executive Officer. Personal use by other NEOs is infrequent. We calculate compensation for personal use based on the incremental costs of operating the aircraft. The largest single component of this cost is

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fuel. The 2011 Summary Compensation Table beginning on page 28 of this Proxy Statement contains itemized disclosure of all perquisites to our NEOs, regardless of amount.

Deferred Compensation Plan: Our Deferred Compensation Plan allows certain employees, including the NEOs, to defer receipt of salary and/or bonus payments. Deferred amounts are credited with earnings or losses based on the rate of return of mutual funds selected by the participants in the plan. We do not match amounts that are deferred by employees in the Deferred Compensation Plan. However, to the extent that employees in the Deferred Compensation Plan have their match in the 401(k) plan limited as a result of participating in the Deferred Compensation Plan, the lost match would be credited instead to the Deferred Compensation Plan. Distributions are paid either upon termination of employment or at a specified date (at least two years after the original deferral) in the future, as elected by the employee. The employee may elect to receive payments in either a lump sum or a series of installments. Participants may defer up to 100% of eligible salary and bonus payments. The Deferred Compensation Plan is not funded by us, and participants have an unsecured contractual commitment from us to pay the amounts when due. When such payments are due to employees, the cash will be distributed from our general assets.

We provide deferred compensation to permit our employees to save for retirement on a tax-deferred basis. The Deferred Compensation Plan permits them to do this while also receiving investment returns on deferred amounts, as described above. We believe this is important as a retention and recruitment tool, as many of the companies with which we compete for executive talent provide a similar plan for their senior employees.

Employment Agreements: We have entered into employment agreements with Messrs. Reed, O Neill, Walsh, and Riordan. These agreements provide for payments and other benefits if the officer s employment terminates for a qualifying event or circumstance, such as being terminated without Cause or leaving employment for Good Reason, as these terms are defined in the employment agreements. The agreements also provide for benefits upon a qualifying event or circumstance after there has been a Change-in-Control (as defined in the agreements) of the Company. Mr. Gambrel, our newest NEO, is covered under the TreeHouse Foods, Inc. Executive Severance Plan and does not have a separate employment agreement. Additional information regarding the employment agreements, including a definition of key terms and a quantification of benefits that would have been received by our NEOs had termination occurred on December 31, 2011, is found under the heading Potential Payments Upon Termination Or Change In Control.

We believe these severance programs are an important part of our overall compensation arrangements for our NEOs. We also believe these agreements will help to secure the continued employment and dedication of our NEOs prior to or following a change in control, without concern for their own continued employment. We also believe it is in the best interest of our stockholders to have a plan in place that will allow management to pursue all alternatives for the Company without undue concern for their own financial security. We also believe these agreements are important as a recruitment and retention device, as most of the companies with which we compete for executive talent have similar agreements in place for their senior employees. We have received consulting services from Meridian with regard to market practices in an evaluation of severance programs.

In 2008, we amended the agreements with Messrs. Reed, O Neill and Walsh to delay payments for six months in certain circumstances to conform to the deferred compensation rules contained in Section 409A of the Internal Revenue Code of 1986, as amended (the Code).

On February 10, 2011, we entered into a one-year consulting agreement with Mr. Vermylen which became effective on July 1, 2011 when Mr. Vermylen transitioned to a senior advisor role focusing on strategy, marketing and acquisitions (renewable upon mutual agreement). Effective July 1, 2011, Mr. Vermylen s existing employment agreement terminated and he will receive $300,000 per annum as a consultant.

401(k) Savings Plan: Under the TreeHouse Foods Savings Plan (the Savings Plan), a tax-qualified retirement savings plan, Company employees, including our NEOs, may contribute up to 80% of regular earnings on a before-tax basis into their Savings Plan accounts (subject to IRS limits). Total contributions may not exceed 80% of eligible compensation. In addition, under the Savings Plan, we match an amount equal to one dollar for each dollar contributed by participating employees on the first 3% of their regular earnings and fifty cents for each additional dollar contributed on the next 2% of their regular earnings. Amounts held in Savings Plan

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accounts may not be withdrawn prior to the employee s termination of employment, or such earlier time as the employee reaches the age of 59 1/2, subject to certain exceptions established by the IRS.

Tax Treatment of Executive Compensation: Section 162(m) of the Code imposes a limitation on the deductibility of non-performance-based compensation in excess of $1 million for the Chief Executive Officer of the Company and each of the three next most highly compensated executive officers (other than the Chief Financial Officer). Our equity and incentive plan is designed to allow us to grant awards that qualify for the performance-based exception to the Section 162(m) deductibility limit. Many of our key incentive programs are linked to the financial performance of the Company, and, therefore, we believe that we will preserve the deductibility of these executive compensation payments. However, deductibility of executive compensation is only one important factor considered by the Compensation Committee when determining compensation and the Compensation Committee retains the flexibility to award compensation that may exceed the limitation on deductibility under Section 162(m) when it believes it is in the Company s and stockholders best interests.

EXECUTIVE COMPENSATION

The following table sets forth annual and long-term compensation for the Company s Chief Executive Officer, Chief Financial Officer and three other most highly compensated officers during 2011 as well as certain other compensation information for NEOs during the years indicated.

2011 Summary Compensation Table

Name and Principal Position	Year	Salary ($)(a)	Non-Equity Incentive Plan Compensation ($)(b)	Other Bonus ($)	Grant Date Fair Market Value of Stock Awards ($)(c)	Grant Date Fair Market Value of Options ($)(d)	All Other Compensation ($)(e)	Total ($)
Sam K. Reed	2011	906,500	1,094,978	0	708,210	956,920	166,032	3,832,640
Chief Executive Officer	2010	880,167	2,506,884	0	590,169	796,887	145,568	4,919,675
and President	2009	856,167	2,613,500	0	522,425	0	123,932	4,116,024
David B. Vermylen	2011	355,670	511,435	0	103,761	0	189,279	1,160,145
Senior Advisor and	2010	588,333	1,262,107	0	279,749	377,423	28,554	2,536,166
Former President and	2009	571,667	1,335,000	0	243,419	0	36,963	2,187,049
Chief Operating Officer								
Dennis F. Riordan	2011	424,000	359,040	0	187,758	252,464	28,469	1,251,731
Executive Vice President and	2010	412,167	759,160	0	1,235,173	260,852	19,800	2,687,152
Chief Financial Officer	2009	400,583	776,100	0	172,244	0	19,800	1,368,727
Thomas E. O Neill	2011	424,000	359,040	0	187,758	252,464	26,917	1,250,179
Executive Vice President,	2010	412,167	759,160	0	192,851	260,852	30,793	1,655,823
General Counsel and Chief	2009	400,583	776,100	0	172,244	0	19,800	1,368,727
Administrative Officer								
Harry J. Walsh	2011	424,000	359,040	0	187,758	252,464	19,800	1,243,062
Executive Vice President of	2010	412,167	734,430	0	192,851	260,852	21,087	1,621,387
TreeHouse Foods, Inc. and	2009	400,583	776,100	0	172,244	0	19,800	1,368,727
President of Bay Valley								
Foods, LLC								
Alan T. Gambrel	2011	359,167	230,450	0	159,210	213,780	19,800	982,407
Senior Vice President of Human Resources for TreeHouse Foods, Inc. and Senior Vice President and Chief Administrative Officer of Bay Valley Foods, LLC								

a) This amount represents employee wages earned during the year. Mr. Vermylen s amount includes $54,170 earned as a director.

b)

The amounts in this column include the 2011 portions earned from the Cash LTIP awards, but have not been paid. From the 2009-2011 award, Mr. Reed earned $891,500, Mr. Vermylen earned $415,000, Messrs. Riordan, O Neill, and Walsh each earned $292,500, and Mr. Gambrel earned $175,000. From the 2010-2012

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award, Mr. Reed earned $203,478, Mr. Vermylen earned $96,435, Messrs. Riordan, O Neill and Walsh each earned $66,540, and Mr. Gambrel earned $55,450. No amounts were earned from 2011-2013 award. No amounts were paid under the 2011 AIP.

c) The awards shown in this column include restricted stock unit grants under the Equity and Incentive Plan in 2009, 2010, and 2011. The amount listed in 2011 for Mr. Vermylen was issued in connection with his services as a non-employee director. The amounts listed above are based on the grant date fair market value of the awards computed in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 718.

d) The awards shown in this column include stock options granted in 2011 and 2010 based on the grant date fair market value of the awards computed in accordance with FASB ASC Topic 718. No stock options were granted in 2009.

e) The amounts shown in this column include matching contributions under the Company s 401(k) plan, cash payments in lieu of perquisites and personal use of the Company s corporate aircraft. The amount listed in 2011 for Mr. Vermylen also includes his compensation earned in connection with his consulting agreement.

Details Behind All Other Compensation Columns

Name	Registrant Defined Contribution $	Cash Payment in Lieu of Perquisites $	Aircraft Usage $	Consulting Fees $	Total $
Sam K. Reed	9,800	25,000	131,232	0	166,032
David B. Vermylen	9,800	15,000	14,479	150,000	189,279
Dennis F. Riordan	9,800	10,000	8,669	0	28,469
Thomas E. O Neill	9,800				