

Kellogg's Better Days



Kellogg Company

Food producing sites owned by Kellogg Worldwide

Food waste inventory – 1st January 2018 to 31st December 2018



About Kellogg Company

At Kellogg Company (NYSE: K), we strive to enrich and delight the world through foods and brands that matter. Our beloved brands include *Pringles*®, *Cheez-It*®, *Keebler*®, *Special K*®, *Kellogg's Frosted Flakes*®, *Pop-Tarts*®, *Kellogg's Corn Flakes*®, *Rice Krispies*®, *Eggo*®, *Mini-Wheats*®, *Kashi*®, *RXBAR*® and more. Net sales in 2018 were approximately \$13.5 billion, comprised principally of snacks and convenience foods like cereal and frozen foods. Kellogg brands are beloved in markets around the world. We are also a company with Heart & Soul, committed to creating *Better Days* for 3 billion people by the end of 2030 through our *Kellogg's® Better Days* global purpose platform. Visit www.KelloggCompany.com or www.OpenforBreakfast.com.

Our visionary founder, W.K. Kellogg, instilled in us the understanding that a critical part of running a good business is also doing good for society. That's why we've always worked hard to make sure that our company and business practices deliver benefits to people, our communities and the planet.

In June 2019, as a part of the new *Kellogg's® Better Days* commitments, Kellogg re-configured its targets to align with the United Nations Sustainable Development Goals. It identified six priority goals including No 12 Responsible Consumption and Production.

Our commitment in relation to this goal is a 50% absolute reduction in "organic waste", including food waste, across our sites globally, by the end of 2030.

This commitment which goes further than the Champions 12.3 definition of food waste includes organic materials captured under the following 8 destination categories: animal feed, bio-based materials/biochemical processing, co-digestion/anaerobic digestion, composting/aerobic processes, controlled combustion, land application, landfill and wastewater treatment.

Our commitment includes the Animal Feed waste category, because it represents our biggest category by volume and therefore our main opportunity for waste reduction.



In 2019 we made a commitment to reduce organic waste in our own operations by 50% by 2030.

What we are doing to tackle food waste

Along our value chain – primarily on farms, in our own operations and with people – Kellogg is reducing food loss and organic waste, which includes things like food waste and animal feed, to ensure that food grown and made goes to feeding people, whenever possible.

Doing so is one of the most important levers to solve the issue of food insecurity brought on by our growing population, climate vulnerability and malnutrition.

In 2016, Kellogg was one of the first companies to join Champions 12.3 and in the same year, Kellogg was an early adopter of the World Resource Institute Food Loss and Waste Accounting and Reporting Standard and was one of the first companies to report global organic waste data by destination.

In 2018, we achieved a 7.3% absolute reduction in organic waste, compared to 2017, within our manufacturing operations. Overall, we have reduced organic waste by 12% in our manufacturing plants since 2016.

During production, we strive to reduce organic waste in multiple ways. These include:

- We strive for operational excellence, keeping all the equipment running efficiently and reducing defects in the product
- We rework product when the type of product defect allows and we re-blend in trimmings or dough into the production process
- We optimise change overs in our product lines, for example adjusting the speed of the line, to minimize the amount of material that will have to be discarded as organic waste when changing the product in the line

Food Redistribution

We also donate millions of kilos of foods that are perfectly good to eat but not able to be sold due to underweight quantities, less-than-perfect packaging and short Best Before Dates.

Re-thinking “Waste”

In the U.K., we have piloted an innovative use for imperfect Kellogg’s Corn Flakes® from our Manchester facility. The flakes that are too big, too small or overcooked go to Seven Bro7hers Brewery for their “Throw Away IPA.” The cereal flakes replace some of the wheat grain in the beer mix. Whilst this uses a fraction of the food stuff we use as animal feed – it is helping us to “re-think” waste.



Total food produced
2,449,101
 tonnes

Food Waste as a % of production

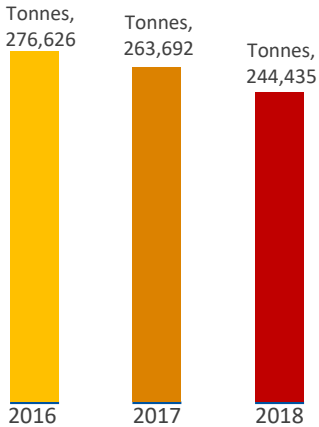
1.2%



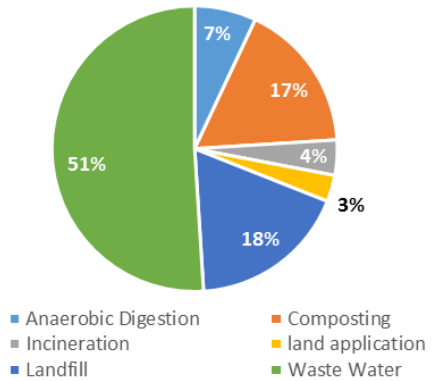
Overall food waste

28,559 tonnes

Kellogg Global Organic Waste 2016 to 2018
 (Includes Animal Feed and Biomaterial processing)



Global Food Waste by destination
 (Excludes Animal Feed and Biomaterial processing)



Food waste data commentary

- During 2018 Kellogg produced 2,449,101 tonnes of food. We recorded 28,559 tonnes of food waste which is 1.2% of production
- This amount reflects the food waste generated at Kellogg manufacturing locations globally, during 2018, which was sent to the following destinations: Anaerobic digestion, Composting, Incineration, Land application, Landfill and Waste Water
- In addition, in 2018 Kellogg generated an additional 215,876 tonnes of organic waste which was used as animal feed (209,941 Tonnes) and biomaterial/processing (5,935 Tonnes).
- Kellogg’s commitment to organic waste reduction extends to animal feed and biomaterial/processing, as well as to the six food waste destinations mentioned above
- Organic Waste is generated for a number of reasons. It can occur during cooking “start up” and “run down” time when ovens are starting up or cooling; during cleaning; when equipment breaks down; when we get “Clumps” of food that are not cooked and when we get packaging defects, e.g. the bag splits. It can also occur when the food is not sold before the Best Before Date.