

Kellogg's Better Days



Kellogg Company

Food producing sites owned by Kellogg Worldwide

Food waste inventory – 1st January 2019 to 31st December 2019



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*®, *Special K*®, *Kellogg's Frosted Flakes*®, *Pop-Tarts*®, *Kellogg's Corn Flakes*®, *Rice Krispies*®, *Eggo*®, *Mini-Wheats*®, *Kashi*®, *RXBAR*®, *MorningStar Farms*® and more. Net sales in 2019 were approximately \$13.6 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.

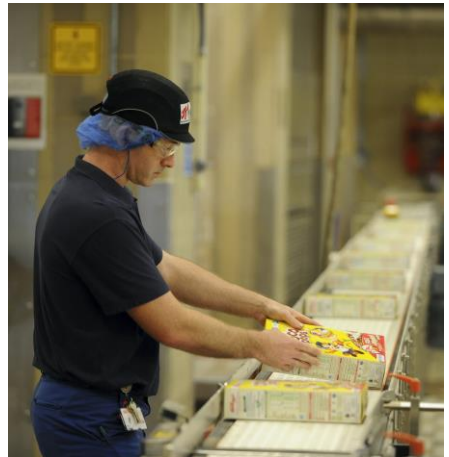
Our visionary founder, W.K. Kellogg, instilled in us the understanding that a critical part of running a good business is also doing good for society. That's why we've always worked hard to make sure that our company and business practices deliver benefits to people, our communities and the planet.

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 number 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 reduce food loss and organic waste

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 Resources Institute Food Loss and Waste Accounting and Reporting Standard and was one of the first companies to report global organic waste data by destination.

All along our value chain, Kellogg is reducing food loss and organic waste, which includes animal feed, to ensure that as much food as possible goes to feeding people. The following are some of the ways we've contributed:

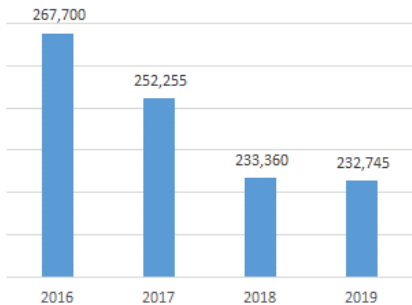
- In Mexico, Kellogg partnered with the [Mexico Food Bank Network](#) to rescue fruits and vegetables from agricultural lands to provide people with more than 35 million servings of fresh fruits and vegetables that were at risk of being lost but able to be consumed.
- In the U.S., we're making a concerted effort to use "perfectly imperfect" apples, strawberries and other fruits in the filling for several foods, including *Kellogg's Nutri-Grain*® bars and *Pop-Tarts*®. Although not the first choice for supermarket shoppers, these fruits are every bit as wholesome and delicious.
- Around the world, we also donate foods that are acceptable to eat but unsaleable due to underweight quantities and less-than-perfect packaging.
- In the U.S., we've standardized our labels to "BEST if used by," to help people understand how to best reduce food waste.
- In Europe, we conducted a study on food waste at breakfast in Italy and Spain to help people understand how to reduce food waste at home.
- In all our facilities, we've prioritized improving production processes and modifying equipment to reduce food waste. For example: our Manchester plant ran a pilot project on how to take split / underweight bags of cereal and put them back into production in a way which is safe and traceable. They came up with a system that involved reprocessing this food in specially created *safe and sanitized area* where the food is un-packed, recorded and put back into the beginning of the production line (so it passes through the usual quality and safety filters). The 2020 pilot was successful, and we aim to put the new process into practice in 2021.
- On the farm, we are working with partners to develop and promote postharvest loss reduction practices in major ingredients relevant to Kellogg. Through our Postharvest Loss Reduction Program, we are working with partners to help farmers reduce food loss by providing training on improved farming and storage practices in India, Bangladesh, South Africa, Thailand, Philippines, and other countries. As an example, by 2018, our three-year collaboration with ACDI/VOCA and smallholder farmers in Egypt helped reduce postharvest date losses by 58%, as reported by a 25% sample of the project's beneficiaries.

Total food handled*
2,517,956
 tonnes

Waste as a % of food handled*

1.1%

Kellogg Global Organic Waste 2016 to 2019 in metric tonnes (Includes Animal Feed and Biomaterial processing)

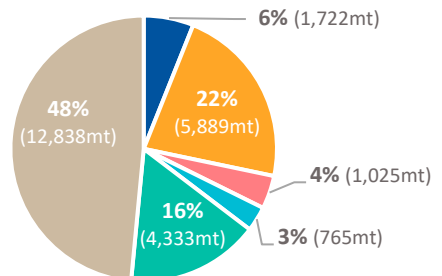


NB: these figures reflect the 2019 divestiture of the Keebler business are adjusted to be like-for-like

Overall food waste

26,572 tonnes

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



■ Anaerobic Digestion
 ■ Composting
 ■ Incineration
 ■ Land application
 ■ Landfill
 ■ Waste Water

Food waste data commentary

- During 2019, Kellogg handled 2,517,956 tonnes of food across our manufacturing locations globally. We recorded 26,572 tonnes of food waste which is 1.1% of food handled. In addition, in 2019 Kellogg generated an additional 206,174 tonnes of organic waste which was used as animal feed (197,808 tonnes) and biomaterial/processing (8,366 tonnes).
- The food waste % figure (1.1% of food handled*) is the same as in 2018 and the organic waste % figure is fractionally higher (9.2% of food handled* in 2019 versus 9.1% in 2018).
- By the end of 2019 we had reduced our organic waste tonnage by 13% (or 11% relative to our total food handled) and our food waste tonnage by 19% (or 17% relative to our total food handled) in our manufacturing plants since our 2016 baseline year.
- Kellogg’s commitment to organic waste reduction extends to animal feed and biomaterial/processing, as well as to the six food waste destinations mentioned in the chart 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. It can also occur when the food is not sold before the best before date.
- Although our food waste figure is the same as 2018, we are working to develop a waste procedure to train our employees, in multiple operational areas, on best practices. This includes engaging our quality and engineering teams to better assess the potential impacts on food waste when changes in production and machinery happen at our sites. We are also implementing initiatives to improve the measurement and tracking of food waste in our plants through better metering and real time data information.

* Note: to be consistent with industry best practice and the UK’s [Food Waste Reduction Roadmap](#), we’ve updated our methodology for calculating total food and ingredient handled this year to include food waste and surplus together with (as previously) food product sold as intended. This is also reflected in our calculation of waste as a % of food handled.