



# PepsiCo UK & Ireland

United Kingdom

Food waste inventory – 1<sup>st</sup> January 2019 to 31<sup>st</sup> December 2019



# About PepsiCo

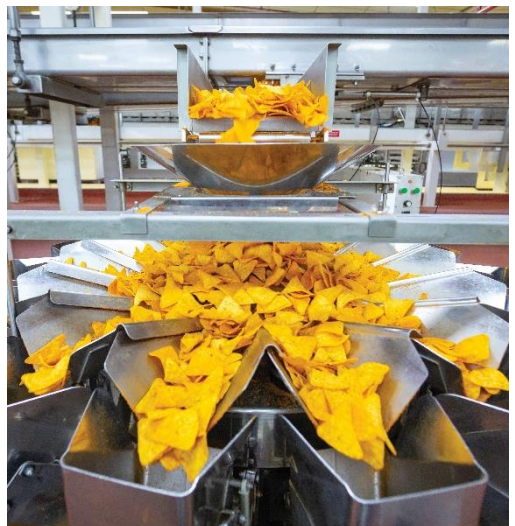
**PepsiCo is proud to be one of the UK's leading food and beverage companies. Every day, millions of people across the country enjoy our oats, snacks, juices and carbonated soft drinks.**

We have a diverse portfolio of multi-million-pound brands. These include brands such as Walkers, Pepsi MAX, Tropicana and Quaker.

Our business in the UK employs around 4,500 people across 11 sites, 6 of which are manufacturing sites. This includes the Walkers factory in Leicester, our Quaker Mills in Cupar, plus snacks manufacturing in Coventry, Skelmersdale and two sites in Lincoln. In Leicester, we have created one of the largest crisps factories in the world and operate one of PepsiCo's global research and development centres. This allows us to tap into and develop outstanding UK STEM talent, while also serving as a base for collaboration with academics and innovators.

As part of our commitment to Winning with Purpose we have set a series of challenging environmental targets. To date, we've eradicated waste to landfill across our UK operations, invested in renewable energy production at our sites and use 100% renewable sources for our electricity. We are also investing in the UK and globally to help us meet our goal of designing all of our packaging to be recyclable, compostable or biodegradable by 2025.

**In 2018 we made a commitment to reduce food waste in our own operations by 50% by 2030.**



# What we are doing to tackle food waste

Since 2015, our manufacturing sites in the UK have been reporting on our food waste as part of our current global sustainability reporting. At the end of 2019, we achieved a reduction of 49% of food waste as a percentage of food handled, versus a 2015 baseline. This was achieved through our focus on three key areas: employee engagement; minimising waste during production, and diverting food waste into surplus food.

## Employee Awareness

Waste reduction is a huge focus area in our manufacturing sites and with shared accountability and regular waste reviews we strive to eliminate waste in all parts of our business. At sites, employees are aware of the reduction activities. This is largely through the work of on-site voluntary Green Champions who work to reduce our impact through educating and engaging all employees on our sustainability goals.

## Operational Efficiency

Since 2015, our sites have adopted the Lean programme; a systematic method aiming to minimize waste within manufacturing processes, thereby improving operational efficiency. We measure the level of waste production, identify areas that require further investigation, determine the root cause, and take preventative and corrective actions to keep waste levels low. For example, sites implemented a controlled production start up process, driving consistency across shifts and significantly reducing start up waste. Adopting this lean way of operating has greatly contributed to the reduction of our food waste as a % of food handled, moving from 5.4% in 2015 to 2.8% in 2019.

## Food Surplus

We have diverted a quantity of our food waste into surplus food. This means it can be beneficially repurposed elsewhere (we produced almost 8,000 tonnes of food surplus in 2019), all of which goes to animal feed.



Total food handled\*  
**263,929**  
tonnes

Waste as a % of food handled\*  
**2.8%**



- Product Waste (Post fryer): 1.6%
- Vegetable Oil: 2%
- Wet Waste (Corn, Potatoes & Fats): 96%

Overall food waste  
**7,276** tonnes



- Anaerobic Digestion, 100%

### Food waste data commentary

- This data represents five manufacturing sites in the UK covering a full calendar year January 2019 – December 2019.
- These five sites handled 263,929 tonnes of food in 2019, and our food waste equates to 2.8% (7,276) tonnes.
- Since 2015 PepsiCo has reduced food waste from 14,601 tonnes to 7,276 tonnes which is an absolute reduction of 50%. As a percentage of food handled we have reduced food waste by 49%, from 5.4% in 2015 to 2.8% in 2019.
- Our food waste as a percentage of food handled increased this year from 2.5% in 2018, which is mainly due to a decrease in production and the introduction of new product lines.
- 96% of our food waste is “Wet Waste,” which is made up of ingredients that are washed away with water such as corn and potato pieces. This occurs as a natural part of the rigorous manufacturing process which ensures the high quality and food safety requirements of the products are met.
- All our food waste is sent either to an external anaerobic digestion facility or our Leicester site’s anaerobic digester. Once digested the waste goes offsite to be pasteurised and then used as fertiliser.
- Note: PepsiCo acquired Pipers Crisps in March 2019 (our 6<sup>th</sup> manufacturing site). As such, data for Piper Crisps is not integrated into this reporting year.

\* 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 together with food product sold as intended and food surplus. This is also reflected in our calculation of waste as a % of food handled. Separately, we have also restated our production volumes from what was published in our case study last year.