



Global Unilever Food Waste Report - 2019

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1 st January 2019 - 31st December 2019

Introduction

The Unilever Compass, our sustainable business strategy, is set out to help us deliver superior performance and drive sustainable and responsible growth, while improving the health of the planet through taking climate action, protecting and regenerating nature and creating a waste-free world.

Food loss and waste is a global crisis with one-third of all food produced globally lost or wasted. Tackling food waste is an opportunity to address food insecurity, protect natural resources and mitigate climate change – and it requires a global approach. It means focusing on the systems by which food is produced, consumed and disposed of, by our industry and others across the whole chain from farm to fork.

Our approach to food waste reduction

We have long-standing programs in place that address food waste in our manufacturing operations.

We have sent zero waste to landfill from our factories since 2014 and since 2016 we have been sending zero waste to landfill across more than 600 sites, in 70 countries, including factories, warehouses, distribution centers and offices.

In 2015, we helped to shape and signed the Consumer Goods Forum (CGF) Food Waste Resolution and as part of this we have been reporting on food waste in our manufacturing facilities since 2016.

Alan Jope, our CEO, is a member of <u>Champions 12.3</u>, a global coalition of leaders dedicated to accelerating progress toward achieving sustainability goal 12.3 which calls for halving per capita food waste at the retail and consumers levels and reduce food losses along the production and supply chains by 2030.



Accelerating food waste reduction

It is our ambition to protect and preserve food to feed the world. Our accelerated plan of action to reduce food waste was fueled by the urgency of what is not only a humanitarian but also an environmental and economic crisis.

In September 2020 we adopted the Champions 12.3 'Target-Measure-Act' approach and signed up to the 10x20x30 commitment, as well as pledging to publicly report our food waste footprint using the Food Loss and Waste Accounting and Reporting Standard.

This report covers our baseline year, 2019 and relates to all Unilever Foods and Refreshment manufacturing and logistic sites across the globe: 142 manufacturing sites and 235 Distribution Centres (DCs). We are reporting the food waste in our global direct operation from factory to shelf – extending our impact beyond manufacturing operations and including our DCs.

In November 2020 we announced our Future Foods strategy where we pledged to halve food waste across our global direct operations from factory to shelf by 2025 – five years ahead of the UN's SDG 12.3.

Our food waste commitments

In addition, we want to drive wide-reaching change beyond the boundaries of our business and tackle food loss and waste across the food chain. Over the next few years, we will focus on the following five areas of action:

- Halve food waste in our direct operations by 2025
- Maintain zero waste to landfill and ensuring no good food is destroyed
- Enroll key supply partners to follow our lead and tackle food loss and waste in their operations
- Help our food service customers avoid food waste through education, partnerships and services and finding ways of redistributing surplus food
- Through our brands, help our consumers waste less food at home.

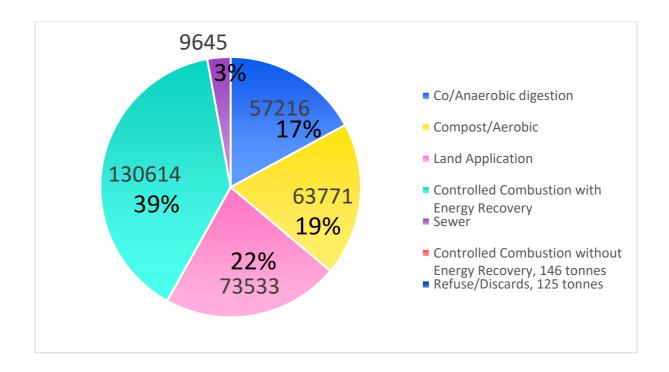


2019 Food Waste Reporting

Total food handled 5,928,998 tonnes

Waste as percentage of food handled: 5.7% Overall Food Waste: 335,051 tonnes

Chart 1, Waste by destination in tonnes



Our total food handled for the year 2019 was 5,928,998 tonnes.

Our food waste was 335,050 tonnes which equates to 5.7% of the total food handled. In line with the Food Loss and Waste Accounting and Reporting Standard, this excludes all food going to reuse destinations such as donations, animal feeding and biomaterial processing.



As per Chart 1, our Food Waste is managed in different ways. We are always trying to move up the food waste hierarchy to find the most sustainable solutions to dispose of what cannot be eliminated at source.

Below are some further examples of waste recycling from our sites:

- 17% of our food waste goes to anaerobic digestion where we are capturing and using the biogas generated as a green energy source.
- Almost 20% of our food waste goes to composting solutions. In some instances, the output is used directly on site to grow vegetables.
- Where possible, our food waste is also applied directly to land as a fertiliser.
- Finally, 39% of our waste cannot be moved up the waste hierarchy and is sent to incineration with energy recovery.

We are now reporting our food waste footprint using the Food Loss and Waste Accounting and Reporting Standard following the Champions 12.3 definition of food waste. As this standard is much more comprehensive than the previously adopted Consumer Goods Forum Standard, the consequence is that we are now reporting on four additional food waste destinations (composting/aerobic digestion, co/anaerobic digestions, land application and controlled combustion with energy recovery).

Furthermore, we are now also covering food waste from our distribution centers, in addition to our manufacturing sites. As a result, our food waste footprint is very different and cannot be compared to what has been reported previously.

A snapshot of our food waste program

Our mission to protect and preserve food is not one we can achieve alone. That's why we're working with our brands and partners across the food chain to transform the system and help end the food waste crisis. The below outlines some of our key achievements in 2019:

A factory garden that feeds a community

When the team at our Pouso Alegre site in Brazil realised that they could turn its organic waste into compost, the idea of a factory garden soon followed. Today 90%



of the garden's harvest is used in the factory cafeteria and 10% is given to a local community care home that looks after 80 senior residents and a nursery which educates 217 local children. Factory staff are also free to take lettuce home for their own use.

Unilever Food Solution helps chefs reduce waste

Our Wise Up on Waste app – launched in the UK a couple of years ago, in partnership with the facilities service provider, ISS Food & Hospitality (F&H) – allows chefs to track and reduce food waste. In the UK, regular use of the web-based app has enabled participating chefs to reduce food waste by an average of 15-20%. It continued to grow in 2019 and now has 1,983 registered users across the UK, Denmark, Sweden and Norway. In 2019, the site was accessed 47,378 times and 95,271 diary entries were recorded across 846 sites.

Ben & Jerry's turns ice cream into energy

Ben & Jerry's has become the first ice cream company in the world to power one of its factories, Hellendoorn in the Netherlands, using the by-products of ice cream. The BIOPAQ®AFR Biodigester – also known as 'The Chunkinator' – is an anaerobic flotation reactor. Ice cream waste is fed into its tank, where 24 billion natural microorganisms break down the particles, turning them into biogas.

The biogas created by the biodigester is used in the factory's GreEnergy project, which acts like a battery by insulating water at the correct temperatures for ice cream creation and dramatically reducing the need for natural gas to heat the plant.





Hellmann's inspires consumers to use leftover foods

In 2018/19, over 100 million consumers in Brazil were inspired to be more resourceful with their fridge leftovers through Hellmann's Fridge Blindness campaign. The *Bring your own Food Restaurant* 5-star dining experience – with all meals created by chefs from what was in the diners' refrigerators – showed how simple left-behind ingredients can be transformed into delicious meals. This initiative has captured consumers' imaginations so successfully that it has been rolled out across Europe and North America.



Our purpose is to make sustainable living commonplace.

We're focused on improving both the health of the planet and people's health, confidence and wellbeing, whilst contributing to a fairer, more socially inclusive world.

Find out more about our mission to create a waste-free world at https://www.unilever.com/planet-and-society/waste-free-world/

Company background

Unilever is one of the world's leading suppliers of Foods and Refreshments, Beauty & Personal Care and Home Care products, with sales in over 190 countries and products used by 2.5 billion people every day. We have 149,000 employees and generated sales of €50.7 billion in 2020. Over half of our footprint is in developing and emerging markets. We have around 400 brands found in homes all over the world – including iconic global brands like Knorr, Magnum, Hellmann's, Walls and Ben & Jerry's as well as Dove, Lifebuoy, OMO and Surf.

