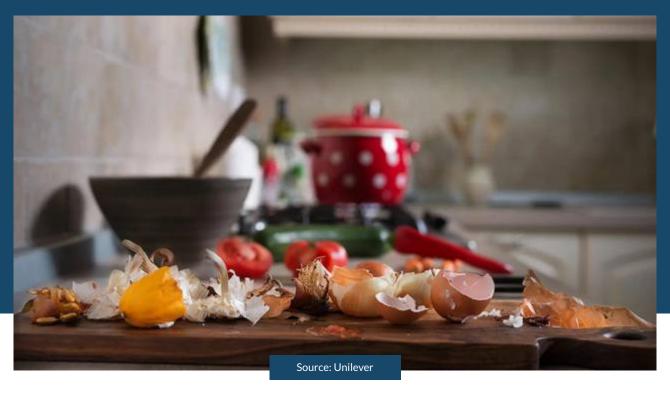


REDUCING WASTE, FROM FARM TO PLATE

A multi-stakeholder recipe to reduce food loss and waste



How Unilever is Leading the Way in Reducing Food Loss and Waste



This case study showcases Unilever's comprehensive approach to food loss and waste spanning its supply chains to consumers, Unilever's commitment to addressing food loss and waste is evident through partnerships, innovative solutions and responsible food consumption-as part of its ambitious zero waste strategy.

Key messages

- A third of global food is wasted, which amounts to 1.3 trillion dollars worth of food.
 Nearly 924 million people (11.7 percent of the global population) faced food insecurity at severe levels, an increase of 207 million in two years.
- With a close to \$14 billion portfolio of food brands, Unilever is championing a zero waste food loss and waste strategy as part of its broader corporate sustainability goals.
- Unilever has sent zero waste to landfill from its factories since 2014 across more than 600 sites, in 70 countries, including factories, warehouses, distribution centers and offices.
- Unilever brands already use production planning to avoid food waste, ensuring supply meets demand wherever possible rather than exceeding it.
- As part of the Future Food initiative, Unilever has committed to halving food waste by 2025.

Background

A third of global food is wasted, which amounts to 1.3 trillion dollars worth of food. This happens in the form of food loss-food damaged as it moves along the supply chain and food waste discarded by manufacturers, producers and consumers. Reversing this trend would preserve enough food to feed 2 billion people. That's more than twice the amount of food required to feed undernourished people across the globe. 2

With a close to \$14 billion portfolio of food brands such as Knorr, Hellmann's, Magnum, The Vegetarian Butcher and Horlicks, Unilever has taken significant steps to lead the way in reducing food loss and waste as part of its broader corporate sustainability efforts. Unilever is one of the world's largest consumer goods companies, reaching over 3 billion people daily in over 190 countries through its products.

The Unilever Compass for sustainable goals aims to improve the planet's health and champions for a waste-free world. Unilever's holistic approach to tackling food waste encompasses the entire food value chain from farming, production and consumption. Unilever is tackling food waste in its supply chain by helping consumers reduce the amount of food they throw away. As a member of the 10x20x30 coalition, a sub-set of the Champions 12.3 that brings together the top leading retailers and suppliers aims to bring together at least 20 suppliers each to halve food loss and waste by 2030. 4.5

Unilever Food Waste Commitments

- Halve food waste in our direct operations by 2025
- Zero waste to landfill and no good food destroyed
- Enrolling key supply partners to follow our lead and tackle food loss and waste in their operations
- Helping food service customers tackle food waste through prevention and redistribution
- Through our brands, we help consumers waste less food at home

Halving food loss and waste along the production lines

As part of the Unilever Compass and Climate Transition Action plan, Unilever has committed to sending zero food waste to landfills and ensuring that no good food is wasted. Food production can result in excess and debris that often is discarded, so the company has found creative ways of turning food waste in value. In its ice cream production, it developed a product from the leftover ice cream generated during the primary production process of Magnum. Unilever created a new product line, Cremissimo, by adding chocolate sauce and white chocolate chips to the left-over ice cream.

Plant-based foods can enrich our food choices through upcycled nutrient-rich foods while mitigating greenhouse gas emissions from animal protein production and diverting discarded

¹WFP, '5 facts about food waste and hunger', UN World Food Programme, June 2020. (Link)

² FAO, 'UN report: Global hunger numbers rose to as many as 828 million in 2021', Food and Agriculture Organization of the United Nations, July 2022. (<u>Link</u>) (accessed 27 September 2023).

³ Unilever, 'The Unilever compass for sustainable growth', Unilever, 2023, pp. 1-2. (Link)

⁴ Champions, 'SDG target 12.3 on Food Loss and Waste: 2020 Progress Report', Champions 12.3, 2020, pp. 1-12. (Link)

⁵ Champions, '10X20X30', Champions 12.3, 2023. (Link) (accessed 27 September 2023).

⁶Unilever, 'Why our fight on food waste is a chain reaction', Unilever PLC, Unilever, February 2021. (Link), (accessed 27 September 2023). ⁷Circular, 'Cremissimo proves "waste" makes for delicious taste', CIWM, Circular Online, February 2021. (Link), (accessed 27 September 2023).

food from landfills and incineration. Unilever has invested €85 million in a Foods Innovation Centre at Wageningen University in the Netherlands. The centre will help formulate the next generation of meat and dairy alternatives to join the plant-based foods comprising around a third of Unilever's food portfolio.⁸

Key facts and figures

- As a consumer goods company with a close to USD 14 billion portfolio of food brands, Unilever is championing a zero food loss and waste strategy as part of its corporate sustainability goals
- Unilever has achieved zero waste to landfill from its factories since 2014 across more than 600 sites, in 70 countries, including factories, warehouses, distribution centers and offices
- Unilever is a member of 10X20X30 coalition, which aims to halve food loss and waste by 2030 by bringing together leading retailers and suppliers
- Unilever has invested EUR million in a Foods Innovation Centre at Wageningen University to develop plant-based alternatives and reduce greenhouse gas emissions
- Hellmann's- a mayonnaise brand is committed to inspiring and enabling 100 million consumers annually by 2025 to be more resourceful with their food at home and waste less
- Unilever has partnered with the app Too Good to Go to connect people with leftover edible products from restaurants, bakeries and supermarkets, saving 16 million meals from being discarded
- Reversing food waste trends could preserve enough food to feed 2 billion people, more than twice the number of undernourished people globally
- Unilever recognises and celebrates food waste warriors within its business systems who contribute to reducing and preventing food loss and waste

Collaborating with chefs and hotels on waste-free food solutions

About 8-10 percent of GHG emissions is a result of food waste. Reducing food waste is not only environmentally responsible but also beneficial for restaurants and food service establishments. Unilever Food Solutions' commitment to educating and empowering chefs and operators in this regard contributes to a more sustainable and waste-conscious future for the culinary industry.

The UFS Academy, a free online culinary portal, offers training to chefs or restaurant operators who may need formal training on various subjects, including a food waste management module. Available via the UFS Academy app and on the UFS Academy website, the training module has been widely distributed and well received. The Word Wide Fund For Nature Kitchen "WWF Hotel Kitchen" program, supported by Unilever Food Solutions, represents a commendable effort to address food waste in the Greek hotel sector.

⁸ Unilever, 'Unilever intends to build a global foods innovation centre in Wageningen, the Netherlands', Unilever PLC, Unilever, October 2016. (<u>Link</u>), (accessed 27 September 2023).

This program has achieved several significant milestones:

- During the pilot phase, the program reduced food waste in three Greek hotels by up to 25%. This reduction demonstrates the effectiveness of the strategies and practices implemented to minimise food waste.
- A toolkit based on the program's success was developed and offered to interested hotels. This toolkit likely includes best practices, guidelines, and strategies for hotels to implement food waste reduction measures effectively.

"The Unilever Compass guides the company in making decisions that balance economic, environmental, and social considerations, contributing to a more sustainable and equitable future." - Rodman Ochoa, Nutrition Global SC Innovations & Strategic Programs Director

Unilever brands driving consumer FLW behaviour change

Almost half of all food waste happens in people's homes. Hellmann's, Unilever's well-known brand of mayonnaise, has been at the forefront of efforts to drive FLW consumer behaviour change at scale, particularly in promoting sustainable and responsible consumption.

Hellmann's, a mayonnaise brand has committed to inspiring and enabling 100 million consumers every year by 2025 to be more resourceful with their food at home and waste less. Here are some ways in which Hellmann's has undertaken such initiatives:

- Hellmann's also champions household food waste reduction through its "Make Taste Not Waste" mass media campaigns, inspiring people to turn their leftovers into easy, tasty meals.
- Hellmann's Super Bowl campaigns reinforce the message about avoiding food waste. It is consistent with Unilever's sustainability goals and food waste reduction target. 40% of all food in USA goes to waste, and 43% of that happens in households, according to a 2016 NA study, reinforcing the need to drive the programme forward. Hellmann partnered with climate action NGO WRAP to release a new four-market study in the US, UK, Canada and Australia on the latest food waste behaviours. The study indicates that nearly half of respondents throw away as much food or more than they did a year

ago, allowing consumers to save more household budgets by reducing home waste.⁹

Hellmann's created the 'Unidos Pela Comida' (United for Food) initiative in Brazil in 2021 to bring together food industry partners and NGOs and turn 68 tonnes of would-be-wasted food into more than 120,000 tasty meals, which were redistributed to those in need.¹⁰



⁹ I. Palmer, 'Cost conscious consumers are adjusting household behaviours but untapped cost savings lie in food waste', WRAP, September 2022. (<u>Link</u>), (accessed 27 September 2023).

¹⁰ Unilever, 'Tackling food waste', Unilever PLC, Unilever, September 2023. <u>(Link)</u>, (accessed 27 September 2023).

Innovative solutions for saving food

Since 2020, Unilever has partnered with Too Good To Go. This app connects people to food suppliers selling leftover products that are entirely edible despite creeping closer to their 'best before' date. Consumers in the Netherlands reserve and pick up products that would otherwise be thrown away from nearby restaurants, bakeries or supermarkets. As a result, 16 million meals were saved from the bin Using the app. The product boxes currently only contain Unilever products. Still, together Unilever and Too Good To Go are calling on other food companies to join us so we can work to reduce food waste together.

Recognising Food Waste Warriors

Unilever recognises and celebrates the efforts of food waste warriors across its business systems. They help cut food waste from farm to fork through their ideas, passion, and action, like reducing tomato waste through farm integration in Asia or by helping hoteliers manage their food waste footprint. By sharing their stories, Unilever aims to inspire action that reduces and prevents FLW amongst its consumers, suppliers and other businesses.

Unilever aims to halve food waste by 2025

Food waste is responsible for 8-12% of global carbon emissions. As part of its sustainability goals, Unilever is committed to reducing food loss and waste. By the end of 2022, Unilever had reduced food waste per tonne of food handled in its operations by 17% versus 2019.

The company is further exploring solutions with our engineering teams, such as anaerobic digestion, using the biogas generated on-site, composting and using the waste as fertiliser. Unilever has empowered everyone involved in their business to be a food waste warrior and spot any opportunity to save food. The food-saving techniques currently include manufacturing fixes to spot any challenges in packing lines and embracing circular economy approaches.

"Unilever is taking a holistic approach to reducing food loss and waste that covers its entire value chain, from farming and production to consumption". – Rodman Ochoa Nutrition Global SC Innovations & Strategic Programs Director

Unilever has also committed to communicating its food waste data in its Global Food Waste data report each year. ¹² The food waste report will detail food waste in all the global operations from factory to shelf and relates to all Unilever Foods and Refreshment manufacturing and logistic sites across the globe: 128 manufacturing sites and 235 Distribution Centres (DCs).

Over the next few years, Unilever will focus on the following four additional areas of action:

- Maintaining zero waste to landfill and ensuring no good food is destroyed
- Enrolling key supply partners to follow their lead and tackle food loss and waste in their operations
- Helping its food service customers avoid food waste through education, partnerships and services, and finding ways of redistributing surplus food
- Through Unilever brands such as Hellmans and Knorr, help its consumers waste less food at home

¹¹Unilever, 'Delivering door-to-door to help fight food waste', Unilever PLC, Unilever, December 2022. (Link). (accessed 27 September 2023).

¹² Unilever, 'Global Unilever Food Waste Report', Unilever PLC, 2021, pp. 1-10. (Link)

The Unilever Compass is set out to guide Unilever to deliver superior performance and drive sustainable and responsible growth while improving the planet's health through taking climate action, protecting and regenerating nature and creating a waste-free world. By embracing sustainable sourcing, supply chain management, consumer education, and joining forces with stakeholders in the food sector, Unilever is setting an example for other companies in the consumer goods industry.



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