



Good food, Good life



# Reducing Food loss and waste along the Food Value Chain

*an Experience from Nestlé Vietnam*



June 2021



# The true costs of food loss and waste are too high





# Our ambition

Halve food loss and waste along the value chain by 2030





# Progress to date

## Reducing food loss and waste

### Our commitment

#### Reduce food loss and waste

Achieved ✓

### Our objectives

**By 2020:** As a member of Champions 12.3, accelerate progress toward halving food waste by 2030

Achieved ✓

**By 2020:** Achieve zero waste for disposal in our sites

Achieved ✓

**By 2020:** Make date labels understandable to our consumers to reduce food waste at consumption stage

Achieved ✓

### Our action and achievements in 2020

#### Participating in Champions 12.3

Every year, a billion tonnes of food is lost before it even reaches consumers. As the world's biggest food company, we are uniquely poised to make sure more of this food gets from field to table.

Nestlé has been a committed member of Champions 12.3, an initiative to combat food loss and waste, since its 2016 launch. In 2020, we extended our partnership, signing on to their new 10x20x30 initiative. The program brings together more than 10 major food retailers and providers, each of whom engages with 20 of their priority suppliers to halve food loss and waste by 2030. As a supplier, we have committed to taking a 'Target-Measure-Act' approach. This involves setting a 50% reduction target in our operations, measuring and publishing losses and waste, and taking action to reduce it.

We are also a member of the Coalition of Action for Food Waste, launched by Champions 12.3 and the Consumer Goods Forum in June 2020. Through the coalition, we have joined forces with 13 other retailers and manufacturers to halve per capita global food waste at the retailer and consumer level.

Reducing food loss and waste has remained an important aim for us during the COVID-19 pandemic. To ensure no food was unnecessarily lost or wasted, we acted quickly to send surplus ingredients to charities and distribution centers.

#### Achieving zero waste for disposal in our sites

While we encourage industry-wide action against food loss and waste on a global scale, we know we must also lead by example and tackle the issue internally. Through consistent efforts to minimize inefficiencies, 95% of our factories have now reached zero waste for disposal status.

All our factories have waste diversion processes in place but, in a minority of cases, they are not yet 100% zero waste for disposal. This is primarily due to a lack of existing waste recovery infrastructure. Throughout the COVID-19 pandemic, there were legal requirements around the disposal of waste items such as personal protection equipment (PPE). For sanitation purposes, incineration was the only option. Moving forward we will work diligently and collaboratively on improving infrastructure to achieve 100% zero waste status across our business.

#### Clarifying date labels

Many of today's consumers want to make product choices with smaller environmental impacts. However, guidance on how to store food and when to use it by is not always clear. In January 2020, Nestlé France signed a consumption dates pact developed by the Too Good To Go initiative. Signatories make 10 commitments to the management and understanding of consumption dates centered around four pillars:

- **Educate and raise awareness** among all audiences, from producers to consumers.
- **Clarify** the concepts of 'use by' and 'best before' dates.
- **Optimize** the value of unsold products.
- **Collaborate** to coordinate good practices and optimize distribution flows.

### Overall achievements

From the start of our commitment period, we have focused on understanding the scale of food losses and waste. We can now take what we have learned to advance effective solutions in collaboration with stakeholders across our entire value chain.

### Looking ahead

Food loss and waste alone is responsible for approximately 8% of all global GHG emissions. Tackling the issue of food loss and waste means we are simultaneously taking action against climate change. By aligning our future efforts in this area with our Net Zero Roadmap, we will take a more integrated approach to environmental preservation.


#### Working with farmers in Kenya to preserve excess food



We have launched an in-depth survey into farmer family nutrition in Kenya. Through this study, we are identifying solutions to help farmers reduce loss and waste of surplus produce while supplementing their income.

This survey has the potential to facilitate partnerships between farmers and processing firms to increase the preservation of fruits and vegetables.

Through removing barriers to product processing methods, we can reduce food wastage by transforming farmers' surplus into marketable products. For more information on our efforts to support farming families in Kenya.

 [Read more about this story and others online](#)



# A few examples how to reduce food loss and waste



Distributing high yielding, disease resistant plantlets



30% reduction of food waste since 2016  
More than 363 (95%) factories with zero waste for disposal.



Helping to clarify data labels via our partnership with Too Good To Go.



Reducing milk losses from farm to factory  
e.g. Milk losses [study](#) in 30 countries



Implementing good agricultural practices  
leading to less cereal losses e.g. Maize  
losses study in Nigeria



Converting municipal waste into fertilisers

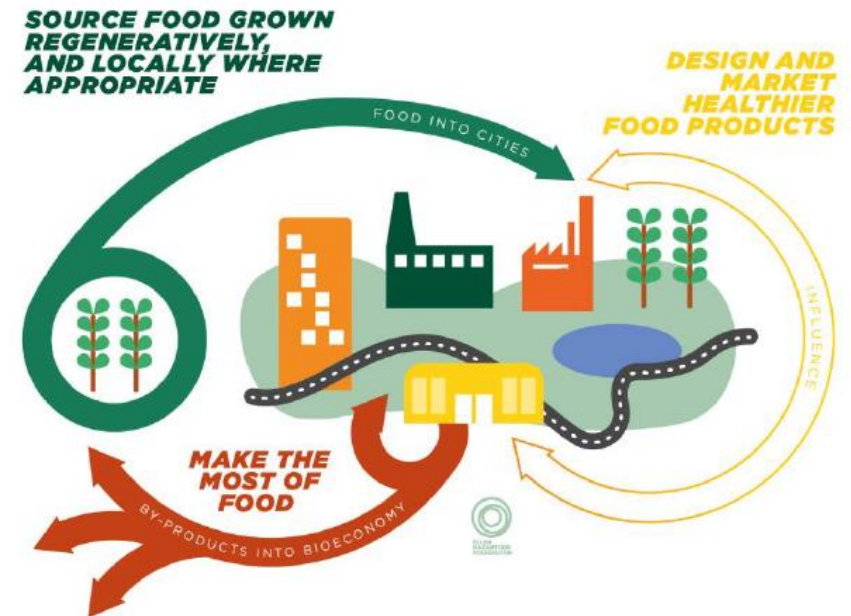


# CITIES AND CIRCULAR ECONOMY FOR FOOD

CURRENT SITUATION



EXPECTED  
TRANSFORMATION



OUTCOMES





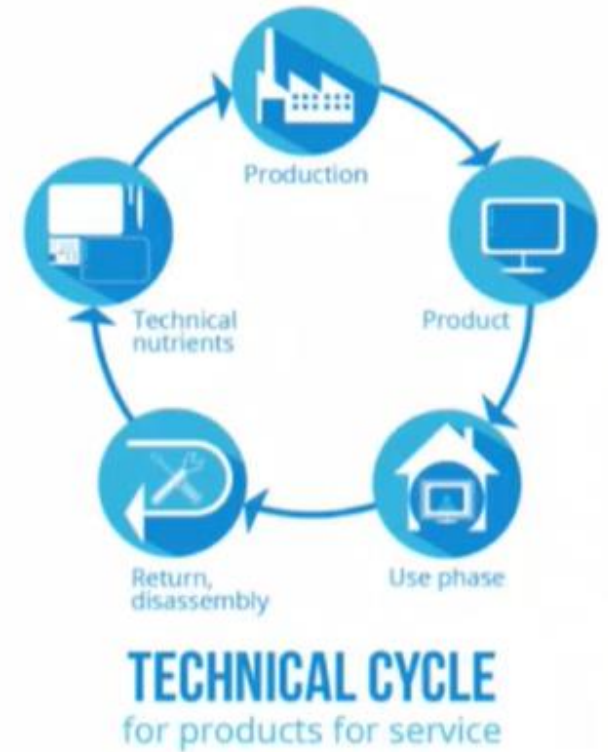
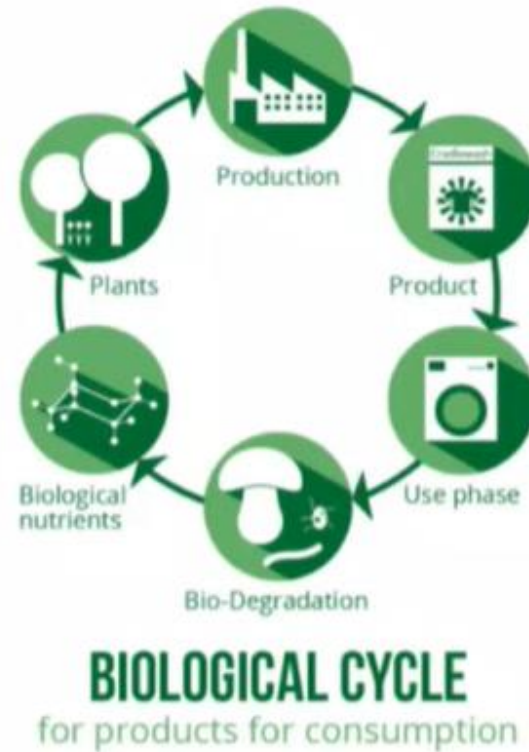
# Where is the circular economy in our definition of regeneration?

The circular economy is regenerative by design. In the circular economy regeneration takes place in the biological and technical cycles<sup>4</sup>.

But regeneration takes place not just in the biological and technical cycles but encompasses the entire socio-economic model of which the circular economy is part.

Regeneration needs to meet the needs of all within the means of the planet, applied by the economy to ecosystems.

***At Nestlé, we adopt the circular economy principles within our definition of regeneration.***



Source: The Ellen MacArthur Foundation



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# A few examples how to maximise value from by-products:

## TRANSFORMING CONVENTIONAL THINKING INTO CIRCULAR THINKING WINS EVERY TIME.



NESCAFÉ NATIV Cascara reduces waste from coffee farming and provides farmers with a new revenue stream.



PURINA targets food waste by using surplus brewery grains in dog treat pilot.



INCOA: Unique chocolate made entirely from the cocoa fruit, using the beans and pulp as the only ingredients and therefore not adding any refined sugar.



Natural compost in Singapore. Used coffee grounds from capsules mixed with sawdust, vegetable waste, yeast, soil and fertiliser.



Delicious soups under our iconic Maggi brand, using vegetables that would have otherwise remained unsold due to their appearance and gone to waste





# More Examples from Nestlé Vietnam



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## Since 2011, NESCAFE Plan has contributed to



- 300,000 farmer trainings conducted
- Formed 274 farmers group in which 30% farmer group leaders is female



- Distributed more than 46 MILLION high quality coffee plantlets
- Rejuvenated 46,000 ha of old coffee trees.



Helped increasing farmer incomes by 30-100%.



# Reduce food loss and increase the coffee yield via introducing Nescafe Better Farming Practices and Good Agriculture Practices

	Before Project 2011	After Project 2021
Picking green cherries vs red cherries habit	Farmers lost 20% of total production due to picking green one	Increased GC yield up to 20% by picking red cherries
GC yield	2.4 MT/ha	4.5 MT/ha
GC defect (Black & Broken beans)	20%	7%
GC loss due to poor storage facilities at farmer's level)	Not qualified WH/ GC loss due to poor WH conditions up to 10-20%	Improved WH at farms' level to increase 10-20% GC

Sources: Internal sampling and analysis of Nescafe Plan in Vietnam



# Embrace latest technologies and continuously making efforts to reduce Waste in all our factories



All our factories achieved Zero Waste to landfill since 2015



REDUCE



REUSE



RECYCLE



Nestlé



# From Zero Waste to Landfill to circular economy ... example from Tri An Factory



We recycle **100%** 'Waste Coffee Grounds' from our production to generate steam for our factory processes

Coffee grounds contributes **70%** of fuel source for steam generation at Tri An factory

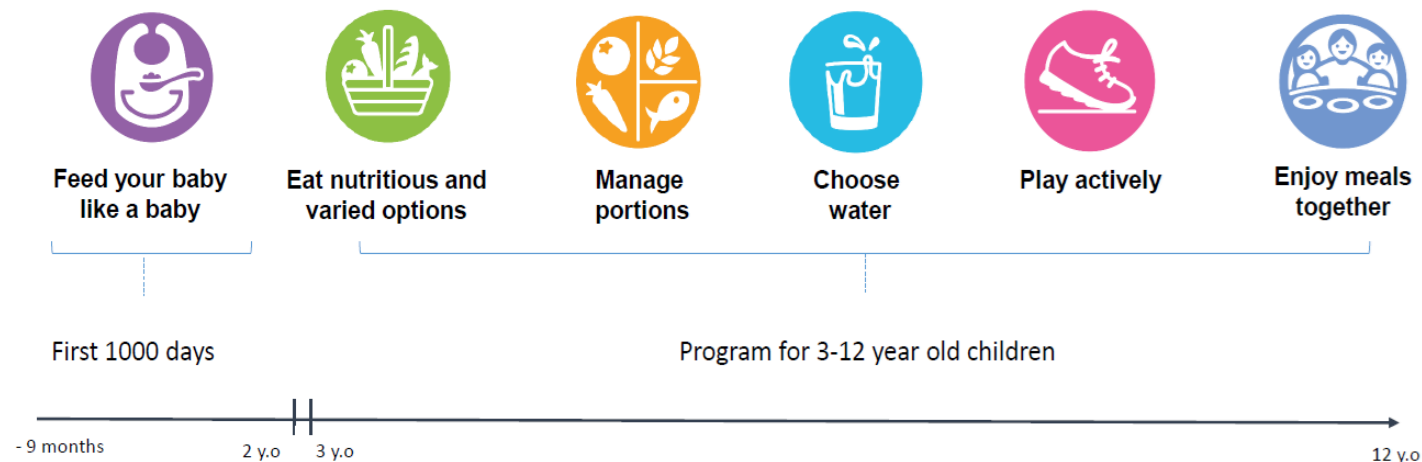


# Behavior change education for 32,000 school kids in 8 provinces nationwide

CÙNG NESTLÉ  
CHO TRẺ VUI KHỎE HƠN



**Key Partners:** Ministry of Education and Training (MoET), National Institute of Nutrition (NIN) & Ministry of Health (MoH)



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# THANK YOU

