

# Nurturing Our Planet: KELLOGG COMPANY 2020 GLOBAL CLIMATE MILESTONES



Our Commitment:  
Work to reduce  
greenhouse gas emissions  
(GHG) across our value  
chain.

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Our founder, W.K. Kellogg, was an early philanthropist and conservationist. Kellogg Company has long been committed to nurturing the planet and taking action to lessen the impact of climate change.

Kellogg was one of the first companies to set science-based targets in 2015. Since then, we've also joined the global corporate renewable energy initiative [RE100](#), committed to 100% renewable electricity sources in our operations by 2050, and joined important climate coalitions like "[We Are Still In](#)" to encourage high-level action on climate.

Kellogg believes that transparency and advocacy will help drive the change we need to protect our planet. That's why we joined the [Task Force on Climate-Related Financial Disclosures](#) and are a signatory of the United Nations Global Compact's [Uniting Business and Governments to Recover Better](#) initiative, which calls on companies to align their COVID-19 economic aid and recovery efforts with the latest climate science.

The recent Intergovernmental Panel on Climate Change (IPCC) report from August 2021 gave its starkest warning yet about global climate change and its impact on future food production. As a global food company, we operate with an urgency around sustainable sourcing, crop protection and cutting carbon across our value chain. We must raise our climate ambitions even higher to meet our commitment to nurturing the planet.

We are leveraging our global scale and voice to drive climate action and nature-based solutions by addressing climate change issues across our supply chain. As a business, we are committed to responsible corporate citizenship and a thoughtful science-based approach to climate solutions. As climate change science evolves, we believe our commitments should align accordingly. As companies are beginning to publish net zero commitments, Kellogg will consider its approach once there is a globally accepted definition and standard defining the concept. The Science Based Target initiative is developing the net zero protocol that will be released at the end of the year. After the definition and standard are released, we will collaborate with climate experts and partners to determine the best path forward for our commitment to nurturing the planet and protecting resources.

Kellogg regularly shares lessons learned and identifies new ideas at consortiums, trainings and other events. We also share our progress on climate on our corporate website, [KelloggCompany.com](https://KelloggCompany.com). We'll continue to aggressively work across our business and value chain to take climate-appropriate actions that protect our environment and will annually publish milestones to share progress against our goals.

We take a planetary and operational risk-based approach to reduce GHG emissions across the value chain and urge others to join us on the journey, informed by climate science.

## MANUFACTURING

Drive absolute reductions through behavior change, operations, renewable energy procurement and CapEx investments.



## SUPPLY CHAIN

Engage Tier I Suppliers to measure and report GHG emissions and work with our highest emitting suppliers to drive climate action.



## INGREDIENTS

Build climate risk and resiliency into our ingredient materiality process and prioritize GHG reductions in our *Origins™* farmer projects for our most impacted ingredient supply chains.



## TRANSPARENCY & ADVOCACY

Drive systemic change through engagement and advocacy with industry and governments – annual disclosure in financial and non-financial reporting, share lessons learned.



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# 2020 Global Climate Milestones

## OUR JOURNEY



2008

We set our first set of manufacturing greenhouse gas reduction targets in 2008 with a 2005 baseline, reaching a [12% reduction by 2015](#).

2014

We set our [next generation of commitments](#) to reduce 15% normalized manufacturing GHG by 2020, responsibly source our priority ingredients, and measure GHG emissions.

2015

Kellogg was one of the first companies to set Science-Based Targets across our Scope 1, 2, & 3 emissions and become RE100 signatories. We began with CDP Supply Chain to establish a baseline for our Scope 3 emissions from our tier 1 suppliers and have been engaging over 75% of our supplier spend in measuring and disclosing our GHG emissions. In support of COP21, Kellogg advocated in support for global climate action.

2018

Kellogg worked with Quantis to assess the carbon footprint of our North American ready-to-eat cereal category, our largest category in our largest market. Kellogg also set its first sustainable packaging commitments to drive toward a closed loop economy.

2019

Kellogg launched its third generation of commitments, through its *Better Days* platform. We joined the Task Force on Climate-Related Financial Disclosure and become a signatory of the United Nations Global Compact's "Uniting Business and Governments to Recover Better" initiative, calling on companies to align their COVID-19 economic aid and recovery efforts with the latest climate science. *Origins™* projects start to show GHG reductions in ingredient supply chains.



## 2020

Kellogg successfully decoupled growth from GHG emissions, reducing absolute Scope 1 & 2 GHG by 30% since 2015. Kellogg met its 2020 normalized (per unit of production) energy reduction target and exceeded its 2020 normalized (per unit of production) emission reduction target against its 2015 baseline. Kellogg partnered with Mars Petcare, Manildra Group, Allied Pinnacle, Sustainable Food Lab, and leading researchers at Charles Sturt University and Food Agility CRC to launch the Cool Soil Initiative. This \$2.5 million partnership will help 200 Aussie wheat farmers over three years adopt soil health practices, which will improve resiliency to climate change and reduce net greenhouse gas emissions. Partners have embraced the program, with 100% retention of participating farmers and more than 500,000 acres of farmland enrolled. In 2019, Gold Standard recognized Mars Petcare's pilot of this program for its alignment with standards designed to meet the global GHG reduction goals set forth in the Paris Agreement.

## 2021

Kellogg announced [a virtual power purchase agreement \(VPPA\)](#) with Enel Green Power. With this VPPA, Kellogg will purchase the electricity equivalent of a 100 MW portion of Enel Green Power's Azure Sky wind farm each year. This partnership will enable Kellogg to meet the electricity needs of 50% of our North America energy load by 2022. Kellogg also worked with the Carbon Trust to revise its Scope 3 inventory to refine and build confidence on its 2015 baseline and footprints for subsequent years.

# 2020 Global Climate Milestones

# PROGRESS ON OUR COMMITMENTS

GOAL YEAR	COMMITMENT	2020 PERFORMANCE
2015	Baseline	
	Science-based targets established	
2020	15% <b>normalized</b> energy use reduction*	15% (Manufacturing) <input checked="" type="checkbox"/>
	15% <b>normalized</b> GHG reduction*	25% (Manufacturing) <input checked="" type="checkbox"/>
2030	45% <b>absolute</b> reduction in <b>Scope 1 &amp; 2</b> emissions	30% (Manufacturing, offices, WH, fleet)
	15% <b>absolute</b> reduction of <b>Scope 3</b> emissions	Calculation in progress
2050	65% <b>absolute</b> reduction of <b>Scope 1 &amp; 2</b> emissions	30% (Manufacturing, offices, WH, fleet)
	Source 100% <b>renewable electricity</b>	28% (Manufacturing)
	50% <b>absolute</b> reduction of <b>Scope 3</b> emissions	Calculation in progress

\* Commitment expired December 2020