

FOOD THAT TASTES GOOD, DOES GOOD AND DOESN'T COST THE EARTH

“ Food is a critical building block of life. So it’s worrying that today’s global food system is in peril. If current projections are realised, the world’s farms will have to produce enough to feed an extra 1.5 billion mouths by the middle of this century. ”



Amanda Sourry
President Foods, Unilever

There’s no consensus about how best to achieve this, but one thing is crystal clear: the food system cannot continue as it is.

For starters, Planet Earth is finite. Already, farming is responsible for two-thirds of all water withdrawals. Over one third of all land is already under the plough. As for modern agriculture’s effects on the climate, around one seventh of all greenhouse gas emissions now comes from meat production alone. This cannot continue.

Second, there’s the food system’s sheer wastefulness. Every year, tonnes of food never even makes it onto the shelves, lost to poor logistics or inadequate storage. This isn’t just a waste of food; it’s a waste of land, energy, water and, of course, business opportunity. Then there’s all the food that never gets eaten. Consumers in industrialised countries throw out the equivalent amount of food per year as sub-Saharan Africa’s entire annual harvest. And this in a world where 800 million people still go to bed hungry every night.

Clearly, something has to change. Responsibility for bringing about that change is widespread. Governments need to start working together more to enact system-level reforms. Farmers and producers need to become more efficient and adopt sustainable practices. And consumers need to be given more choice so that sustainable food and beverages become the norm.

Business also has a critical role to play. For Unilever, that has meant thinking long and hard about what really makes a progressive food company. The result is our new sustainable nutrition strategy. Guided by the vision of ‘Food that Tastes Good, Does Good and Doesn’t Cost the Earth’, it sets out what we consider a company like ours can best do to accelerate progress towards a sustainable food system.

Reassessing our relationship

with food is one crucial place to start. In our social media age, it sometimes feels as if digitising food is as important as digesting it. In the UK, more than one in five young adults allow their food to go cold in order to get the perfect Instagram photo. We believe food should be celebrated, of course. We wouldn’t sell it if we didn’t. But what excites us are the very real, very tangible upshots that food can bring, like health and wellbeing, joy and friendship. Which is why, for example, we fortify some of our foods to increase their nutritional content. And it’s also why, among many other measures, we seek to inspire people to cook delicious, nutritious meals, for themselves and others, from ingredients that are good for both them and the planet.

Being a progressive food company involves helping to ensure that such ingredients are widely available, affordable and grown sustainably. Hence all the support we give to training farmers in agro-ecological production and in making the most of modern technologies. Not only is sustainable farming better for the planet, it’s shown to increase yields too, which in turn boosts farmer incomes and bolsters food security – a delectable combination. For a food system to be fully sustainable, it means looking beyond the farm gate as well – to the energy, water and other natural resources used when food is transported, stored, processed and consumed.

Agriculture, food, nutrition, health, livelihoods, and the environment are all intimately interconnected. Focus on one without the others and the whole system literally collapses. As one of the largest food companies in the world, we can’t afford for that to happen. In fact, the cost of inaction to business is far greater than the cost of action. A sustainable food system has to be the answer. And now has to be the time.



800
MILLION
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1.5
BILLION
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to feed by 2050

A thirst for knowledge

“For Unilever, improving the health of the farmers in our value chain secures essential supplies, expands the market for our products, and increases the resilience of our business model.”

Tea is the most widely consumed beverage in the world, after water. Millions of farmers and workers around the world play their part in delivering the teabag in your cup.

Nirmala Kandasamy grew up eating rice and dal. It's what her mother used to cook, and her mother before her. A tea picker in South India, Nirmala thought nothing of her repetitive diet. And why would she? Rich in protein, dal is a soup-like dish made from pulses such as lentils, peas and beans. Simple and tasty.

But what have Nirmala's mealtimes got to do with Unilever? More than you might think. With top-selling brands like Lipton, PG Tips and Brooke Bond, Unilever buys more tea than any other company in the world. And tea, despite technological advances, remains a largely labour intensive process. Nirmala is just one of millions working on the world's many tea estates.

Worker wellbeing is therefore essential to Unilever's business success. If workers like Nirmala aren't healthy, then their productivity will fall – and with it their own incomes. The result is also lower yields, which will affect business because the tea supply for brands will become less secure.

For a big player in the tea industry like Unilever, it's both a moral and business imperative to support the wellbeing of workers

in our supply chain. Hence, the relevance of workers' diets. The human body needs a balance of nutrients to remain healthy. While rice and dal are fine in themselves, they need to be part of a varied diet. All too often, they're not.

HEALTHIER FARMERS, HEALTHIER FUTURES

Seeds of Prosperity is one example of how Unilever is taking proactive responsibility to protect workers' wellbeing. A joint initiative with the Global Alliance for Improved Nutrition (GAIN) and IDH, the Sustainable Trade Initiative, the programme focuses on encouraging tea farmers and their families to eat a more balanced, nutritious diet.

Central to the programme is a nine-week course during which participating tea workers learn about different food groups and how to incorporate these into their cooking. Families are also given the means to grow their own kitchen gardens.

“Farmers don't always eat the right foods so we have developed a concept that is easy for them to understand and apply,” explains Dr. Bärbel Weiligmann, a special adviser at GAIN, Unilever's main delivery partner on the programme.

Early results are promising. Nirmala readily admits that dietary diversity was entirely new to her: “Before our nutrition training, we were not aware

of the benefits that we were missing.”

Most of the other 2,600 tea workers in South India who took part in the first phase of the programme were equally unaware. But now, over two-fifths (41%) of them reported an increase in the variety of foods consumed, almost double the 24% increase in women who were not part of the programme. A similar proportion (41%) are growing their own vegetables too.

The initiative is not only good for the participants, says Rebecca Marmot, Unilever's Vice President of Global Partnerships and Advocacy: “The best thing is that social impact and the business case are completely linked. Through this important programme we're helping make the future of tea supply more secure by taking workers' nutrition seriously.”

She also adds: “For Unilever, improving the health of the farmers in our value chain secures essential supplies, expands the market for our products, and increases the resilience of our business model.”

Unilever and its delivery partners are now in the process of rolling out the Seeds of Prosperity initiative to tea farming communities in Assam as well as in Kenya and Malawi. The company's ambition is to draw in other tea businesses as well, extending the programme's reach to 2.5 million people overall.



Unilever is the world's biggest tea packer and is leading the way in sustainable sourcing

PROTECTING THE ENVIRONMENT, SECURING INCOMES

Another Unilever-backed initiative designed to improve the wellbeing and incomes of tea producers is the Farmer Field Schools. First launched in 2006 in Kenya, the world's third largest tea producer, Farmer Field Schools aim to train tea producers in sustainable agricultural practices.

The thinking behind the programme is simple. Smallholder farmers are responsible for around three-fifths of Kenya's tea production. Due to a lack of knowledge on best practice, however, they sometimes use traditional methods that can damage the environment and lead to lower yields. Both problems can be corrected through the adoption of more ecologically-smart and efficient agricultural techniques.

To that end, the Farmer

Field Schools are run over 12 months, where participants learn everything from how to reduce herbicide use and improve soil management through to better methods of pruning and plucking.

Unilever was instrumental in getting the programme off the ground in Kenya, running it hand in hand with the Kenya Tea Development Agency (KTDA) and IDH, the Sustainable Trade Initiative.

From the start, this partnership approach has been a critical aspect of the programme's success, according to Arijit Mukherjee, Vice-President of Tea Procurement at Unilever. “It is a great example of working efficiently with partners that share common goals and values to deliver work that creates real impact and touches the lives of many farmers.”

After eight years, Unilever and IDH have passed on

leadership of the initiative to KTDA, and it is now fully embedded and institutionalised in KTDA's structures. KTDA is responsible for overseeing and supporting over half a million smallholders in the country's tea industry.

One of the most notable outcomes of the programme is the dramatic improvement in product quality and yields that it has generated for participating smallholders. 86,000 farmers have taken part in the Farmer Field Schools.

In addition, by the end of 2016, all of KTDA's smallholder farmers had achieved Rainforest Alliance certification, meaning 100% of the tea in our Lipton tea bags comes from Rainforest Alliance Certified sources.

Kenya's tea producers benefit from increases in quality and quantity, but so too does Unilever. Higher yields make the supply of tea more secure, while better quality helps keep our tea-drinking consumers happy.

As part of its Sustainable Living Plan, Unilever has pledged to help at least 500,000 smallholder farmers improve their agricultural practices by 2020. It's an ambitious target and one that can only be achieved through deliberate, participative solutions – like those Unilever is rolling out at the grassroots of the global tea industry.

Unilever's new vision for sustainable nutrition – 'Food that Tastes Good, Does Good, and Doesn't Cost the Earth' – got the folk at Hellmann's thinking.

What could they do to reflect this ambition? Sharing consumers' growing concern about food waste, the marketing and procurement teams worked together and did some digging. The stats surprised them. Take Latin America. Half of all the fruits and vegetables grown in the region perish before ever reaching anyone's plate.

"People's relationship with food is changing these days. They used to just care about how it tastes and how much it costs. Now they also want to know how it's produced as well," says Rhiannon Lines, Brand Manager, for Hellmann's.

"So we started looking back at our supply chain to see if there was any unnecessary wastage and, if so, what we could do about it."

The main ingredient in ketchup is – as you would expect – tomatoes. Red tomatoes, more specifically. Not green tomatoes. So come the harvest season, only the red tomatoes would get collected up and sent off for processing. Meanwhile, the tomatoes that didn't meet industry standards would be discarded – left to rot uneaten in the field.

This has been standard practice in the industry for years, explains Victor Rubio, Sustainability Manager at Unilever's Spanish tomato supplier, Agraz. "In the production of tomato paste, the usage of green tomatoes is generally limited due to the hardness of the fruit."

After discussions with the team at Hellmann's, Agraz agreed to an innovative experiment. Instead of separating the fruit as usual, it would turn off the

IS THIS THE FUTURE OF TOMATO SAUCE SOURCE?

“No-one likes to see perfectly good food go to waste. Step up Hellmann's unique new ketchup. With every squeeze, consumers are doing their bit to keep perfectly good tomatoes from going uneaten.”



colour-sorting machine and send all the tomatoes, whatever their colour, to the processing plant instead. The test presented Agraz with one or two minor technical challenges at first, but nothing that couldn't be easily resolved, says Victor.

The only issue is a slight alteration to the taste of the final tomato paste. Hellmann's used this as an opportunity to use their culinary expertise again, flavouring the new-look ketchup with a mix of fresh-tasting herbs and spices. The result – Hellman's Ketchup Made with Red and Green Tomatoes – was launched in the UK and Greece in May. Latin America is due to follow later in the year.

"The combination of green tomatoes, herbs and spices gives it a really unique, fresh flavour," says Rhiannon at Hellmann's.

Beforehand, around ten percent of the whole harvest was

rejected. Thanks to the change in processing methods, an estimated 2.5 million tomatoes every year will now be saved from going to waste. That translates into more efficient use of land and agricultural inputs, plus higher revenues for Spain's tomato farmers.

In terms of Unilever's sustainable nutrition ambition, the new Hellman's ketchup formula makes for a perfect fit. Initial feedback from consumers indicates that the product tastes as good as ever. It's doing good for Spain's tomato growers. And, as green tomatoes would say if only they could talk, it doesn't cost the earth.

Hellmann's is now looking across its portfolio to see how else it can strengthen its long-term competitiveness and keep in touch with consumer demand through similar sustainable innovations.



\$750

BILLION is the total value of food wasted globally each year

No. 3

If food waste was a country it would be the third biggest emitter of greenhouse gases globally after China and the US

NUTRITIOUS COOKING FOOD FOR THOUGHT



Launched in Nigeria, Knorr's Green Food Steps programme runs cookery classes for mothers and their daughters, showing them how to increase their health and wellbeing by preparing tasty meals with iron-rich ingredients.

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A leading African health campaigner, Toyin Saraki knows with her own eyes the adverse effects of malnutrition. She also knows the huge impact that just a few small steps in the kitchen can have in improving wellness levels. Here, she offers her perspective on Knorr's initiative to promote nutritious cooking.

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Toyin Saraki
Founder-President of Wellbeing Foundation Africa

IS COOKING SOMETHING YOU PERSONALLY ENJOY?

Yes, very much so. It helps me relax. As a Nigerian, I love cooking our national dishes. But I cook from a wide range of other cultures as well. I like there to be lots of colours on the plate. So I enjoy cooking with red peppers and various spices too. It makes the food tastier and increases its nutritional contents.

WHY IS NUTRITION AN IMPORTANT ISSUE IN NIGERIA?

Iron deficiency is a big problem in Nigeria. Around half of Nigerian women have anaemia because of it. The frustrating thing is that it's so easily preventable. If we can teach people about the importance of having iron-rich food, and fortifying food where necessary, we could save millions of people from anaemia.

WHAT IS THE KNORR GREEN FOOD STEPS PROGRAMME?

It's basically a way of doing just this – improving nutrition levels by teaching people about cooking flavoursome meals using iron-rich ingredients.

THE PROGRAMME ENCOURAGES MOTHERS TO PASS ON NUTRITIOUS RECIPES TO THEIR DAUGHTERS. IS THAT A GOOD APPROACH IN YOUR OPINION?

For sure. I was taught to cook by my mother when I was young. As a mother now myself, I've taught my daughters and my son to cook too. Because women are the primary nurturers and carers, it's through mothers and daughters that you reach the whole family.

WHAT STANDS OUT FOR YOU ABOUT THE KNORR GREEN FOOD STEPS APPROACH?

It's such a simple yet wonderful way of adding value to the lives of women, girls and their families. I see nutritious cooking as an investment – a human investment. It's all about teaching us how to eat right and respect our bodies.

THE FEEDBACK FROM PARTICIPANTS HAS BEEN VERY POSITIVE. WHY DO YOU THINK THAT IS?

I think the special bond between mothers and daughters has a lot to do with it. I mean, which mother wouldn't be overjoyed to teach her daughter something so useful and fun that she in turn can pass on to the next generation?

👥 SERVES 8.5BN

Ingredients

193 Governments:
creators of the rules

8.5bn Consumers:
drivers of future demand

570m small-scale food producers:
main source of food produce in global South

Add generously

Food companies:
bring scale, impact and innovation

Financial institutions:
suppliers of capital

Millennial entrepreneurs:
fuel for the future

Business disruptors:
catalysts for change

🔧 METHOD

Be advised: this recipe is not easy. Nor should it be undertaken lightly. It's geared towards completely transforming our global food system. Given the huge complexities involved, it's vital all participants work together. Any recipe for change requires large doses of collaboration, co-creation and partnership throughout. So, step one, work towards getting all the main players into the same kitchen and onto the same page. Agree common end-goals. And be mindful: a new-look food system must work for all – for the world's families, farmers, food companies and future generations. Next, mix all the ingredients together. Only when like-minded partners mobilise together will there be a strong base for sustained change. Need a pinch of inspiration? See FReSH, Seeds of Prosperity and Climate Smart Agriculture. Reaching the tipping point for change requires momentum – wait too long and external pressures such as population growth and climate change will become unmanageable. Now is the time to start delivering change.

🔑 UTENSILS

Fixing our broken food system can't be done on a shoestring. Farmers need ongoing investment in training and infrastructure if they are to increase productivity and reduce post-harvest losses. Make the most of modern communications technologies as well: to share information, to provide market opportunities and to access novel forms of finance. Don't forget consumer power, either. If shoppers start demanding, then food producers will start providing. But first it's necessary to win back their trust. Transparency, honesty and two-way communication are vital. Brands offer a critical link here. Rich in consumer insights and marketing expertise, responsible brands can help empower consumers to make healthier and more sustainable food choices every day.

a recipe to deliver change

“ *The global food system needs an overhaul. And with 8.5 billion mouths to feed by 2030 the time to act is now.* ”

💡 TIP

Consider how the Sustainable Development Goals can unlock economic value. One recent research report identified 14 major business opportunities, from cattle intensification to reducing food waste, valued at US\$2.3 trillion per year by 2030. But don't expect those opportunities to emerge from 'business as usual' models. Fresh thinking is required. Look to the next generation of disruptive, progressive food companies and learn from them. Lastly, if you had to choose just one Sustainable Development Goal, focus on No.17: revitalising global partnerships. No single organisation can bring about the necessary transformation of our food system: we all must work together.

🍴 TASTERS

FReSH

Food Reform for Sustainability and Health (FReSH) is a platform for the private sector to accelerate transformational change in global food systems. The initiative, which is supported by 32 businesses from production through to consumption, including Unilever, Protix, Cargill, Yara, Rabobank, Groupe Danone, PepsiCo, aims to achieve healthy, enjoyable diets for all. Participating firms have set five main goals. Among these are the reorientation of food consumption to strengthen demand for nutritious diets and the adjustment of food production to make it more sustainable.

Climate Smart Agriculture

Spearheaded by the World Business Council for Sustainable Development, this cross-sector initiative is road-testing a variety of local interventions to make farming more climate friendly and to help farmers adapt to changing weather patterns. Examples include pushing for zero agriculture-led deforestation and promoting sustainable land-use commitments. Initial focus regions comprise North America, Ghana, India and Association of South East Asian Nations' member states.

