ENVIRONMENTAL, SOCIAL, GOVERNANCE (ESG) IN CONTEXT

The Kellogg Company is an American multinational food manufacturing company with an extensive supply chain and global reach.

- Kellogg was one of the first United States-based companies to integrate sustainability reporting into mainstream financial reporting.
- Kellogg utilizes reporting guidelines set out by the Sustainability Accounting Standards Board (SASB), and the Global Reporting Initiative (GRI). The company also aligns its ESG commitments and reporting with the United Nations Global Compact (UNGC).

MATERIALITY: RAW INGREDIENTS TO FINAL PRODUCT

- Access to high quality, low cost ingredients, water, and energy is central to Kellogg’s competitiveness.
- Kellogg defines materiality as the financially-relevant impacts that the environment (especially climate), and society have on the food industry, the global supply chain, as well as energy and commodity markets.
- Short, medium, and long-term risks and opportunities associated with these financially-material impacts are identified and incorporated into the company’s strategic priorities and reports.

CLIMATE-FOCUSED REPORTING GOALS

Food systems, environmental sustainability, and development are inextricably linked. Through Kellogg’s Better Days online platform, the company is addressing the interconnected issues of climate, human wellbeing, and food security. For Kellogg, responding to consumer and stakeholder demands for increased sustainability and transparency involves:

- Monitoring, evaluating, and mitigating climate-related risks which may impact the cost or availability of raw or packaging materials; manufacturing or distribution of products; and consumer demand or purchasing ability.
- Monitoring, evaluating, and mitigating negative financial and growth impacts arising from legislative and regulatory requirements, e.g. in relation to the reduction of fossil fuel emissions.

"While these (climate) risks are not currently impacting business growth, they must be monitored, evaluated, and mitigated.”

– Kellogg Co.


This publication was produced for review by the United States Agency for International Development. This work is a partnership between USAID, the University of Notre Dame, and Purdue University. It is funded under grant #AID-7200AA18CA00009. For an overview of ESG uses, definitions, and reporting frameworks, please refer to the ESG Guidance Document.