



# PLATING UP PROGRESS 2021

Recommendations for policy makers, food businesses and investors



## SECTION 2b: RECOMMENDATIONS FOR BUSINESSES



## SECTION 2b: Recommendations for businesses



### WHO SHOULD READ THIS?

Businesses looking to gain an understanding of the next steps we recommend they take to accelerate reporting on key issues.



### WHAT THIS SECTION INCLUDES

This section provides recommendations for food businesses to engage positively with the government on the National Food Strategy's recommendation for mandatory reporting on healthy and sustainable food sales and food waste, to prepare for increased expectations on businesses to set targets across these key metrics, and to join initiatives that are already working collaboratively to create change across the industry.



### RECOMMENDED PRE-READ

Executive summary and Section 1 of this report.



### WHERE CAN YOU FIND OUT MORE?

Explore our [Plating Up Progress \(PUP\) dashboard](#) for key insights into food industry leadership and comparisons between companies.

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# CHANGING EXPECTATIONS ON THE FOOD INDUSTRY SINCE 2020

The last twelve months have seen a significant shift in expectations on the food industry with regard to reporting.

Firstly, there has been a change of focus in the commitments and reporting from supermarkets, with an increase in reporting of sales-based data and more businesses setting targets for healthier and, in some cases, more sustainable food sales (see Section 1 of this report).

Secondly, Covid-19 has continued to exert a negative influence on many businesses, especially the out of home sectors. This has been reflected in a slow-down in new commitments and reporting from these sectors. There are exceptions of course – for example, the Greggs Pledge with commitments for healthy food sales, net zero, increasing availability for vulnerable groups and eliminating food waste.

Thirdly, the National Food Strategy report was released in July with, among many other recommendations, a clear call for the government to make reporting on healthy and sustainable food sales, as well as food waste, mandatory for large food businesses (see **Box 1**).

## BOX 1: THE NATIONAL FOOD STRATEGY'S RECOMMENDATION FOR MANDATORY REPORTING

There should be a statutory duty for all food companies with more than 250 employees – including retailers, restaurant and quick service companies, contract caterers, wholesalers, manufacturers and online ordering platforms – to publish an annual report on the following set of metrics:

- Sales of food and drink high in fat, sugar or salt (HFSS) excluding alcohol
- Sales of protein by type (of meat, dairy, fish, plant or alternative protein) and origin<sup>†</sup>
- Sales of vegetables<sup>††</sup>
- Sales of fruit
- Sales of major nutrients: fibre, saturated fat, sugar and salt
- Food waste
- Total food and drink sales.

<sup>†</sup> For all protein this should include country of origin. For pork, poultry, dairy, eggs and fish, it should additionally include welfare or method of production accreditations (e.g. Red Tractor, RSPCA, Freedom Food, organic, pasture-fed, Better Chicken Commitment, MSC).

<sup>††</sup> "Fruit and vegetables" includes frozen, tinned and composite meals as well as fresh.

The recommendation for mandatory reporting has already received strong support from leaders in the industry, with initial positive responses coming from a number of companies who are included in the PUP dashboard (see **Box 2** for these and for subsequent comments provided to The Food Foundation).

## BOX 2: SUPPORT FROM THE FOOD INDUSTRY

### Public support shown in July 2021

SOURCE:  RETAIL TIMES

JASON TARRY, TESCO UK & ROI CEO, SAID:

**“** *Tesco was the first retailer to publish its food waste data, and this year we have begun sharing the details of our protein sales, so we support the Strategy’s call for mandatory reporting requirements, and with it the aim of delivering affordable, healthy, sustainable food for all.* **”**

SIMON ROBERTS, SAINSBURY’S CEO, SAID:

**“** *We are supportive of the mandatory reporting recommendations laid out in the National Food Strategy and believe that better transparency across the food sector will develop industry insights that positively influence customer health outcomes.* **”**

ROGER WHITESIDE, GREGGS CEO, SAID:

**“** *We support the introduction of mandatory reporting across our sector which will create a level playing field for the largest food providers and help deliver a step change in the health of the nation’s diet.* **”**

RICHARD WALKER, MANAGING DIRECTOR, ICELAND FOODS SAID:

**“** *Transparent mandated business reporting will ensure customers are able to judge the true context of the commitments businesses make and the progress being reported.* **”**

JO WHITFIELD, CO-OP FOOD CEO, SAID:

**“** *We welcome these new recommendations which could revolutionise food reporting and provide greater transparency but, importantly, bring about a consistent approach across the sector.* **”**

### Additional comments provided to the Food Foundation

MARK DAVIES, MANAGING DIRECTOR, ISS UK FOOD SERVICE SAID:

**“** *As a leading caterer, we believe in being transparent and honest about our ambitions for a healthy and sustainable food system, and welcome the recommendation for workable, proportionate reporting obligations for food businesses in their transition towards this.* **”**

ROBIN MILLS, MANAGING DIRECTOR, COMPASS GROUP UK & IRELAND SAID:

**“** *We believe the food industry has a responsibility to be part of the transition to healthy and sustainable food systems and must work together to achieve lasting change. As Plating Up Progress shows, Compass Group UK&I is committed to transparency and will be monitoring our carbon footprint to deliver a science based target of Net Zero by 2030. As a large food business on a transformational journey, we want to work collaboratively with others in the industry to benchmark and report on progress.* **”**

Investors have also welcomed the **National Food Strategy**, with a coalition representing £2.8 trillion in assets under management or under advice, signing an open letter to the government in support.

We urge other companies to support these recommendations and engage with the government on making sure the reporting requirements suggested are implementable and meaningful. Specifically, businesses can constructively advise on:

- › **A consistent methodology for reporting on sales of healthy vs. unhealthy food.**
- › **Defining the parameters for reporting sales of fruit and vegetables.**
- › **Defining the parameters for reporting on sales of different protein sources.**
- › **Developing and refining how different production practices are reported for the protein metric.**
- › **Maximising alignment with other data reporting initiatives to avoid create an unnecessary burden on businesses.**

See Section 2a for our recommendations to policy makers on these points.

The key message here is that there has been a shift in perception – reporting on sales-based data is now considered a reasonable expectation and, even if it does take time to become government legislation, the shift in expectations from many within the industry and from stakeholders such as investors is unlikely to be reversed.

## LEADERSHIP FOR 2022 AND BEYOND

We expect to see leadership on a number of issues in the next year, briefly described below.

### **What you sell matters, not just where it comes from and how it was produced**

As already noted, since our Plating Up Progress 2020 report, we have seen an increase in sales-based targets and disclosure from the food industry (predominantly, but not always, from the supermarkets). These are the disclosures and targets that we believe represent the next wave of stakeholder expectations on the food industry because they relate more directly to how a business actually generates revenue and to the kind of food it depends upon for sales. It also connects more clearly with the recognised need for a shift in our diets as well as a transformation in how we produce food. Increased stakeholder expectations on this can be seen both in the political arena (for example, the National Food Strategy recommendations for mandatory reporting on food sales) and among other stakeholders such as investors.

### **It's no longer just about own-brand responsibilities**

We expect to see an increase in expectations for food businesses, especially supermarkets, to go beyond own-brand disclosure – for example to extend zero land use conversion commitments to branded products as well as own-brand products. Some of the sales-based targets or disclosure on healthy food, fruit and veg, and proteins already go beyond own-brand products, so we expect a broadening of this to other commitments as a next logical step. In some ways, the National Food Strategy recommendation for sales-based reporting on protein “origin” and production systems means that supply chain reporting could automatically extend beyond the more common focus on own-brand only.

### **Impacts on people and nature need to be resolved in tandem**

As mentioned in Section 1, we are also seeing increased awareness of the true costs of our food system and how this relates to both human capital and natural capital. We expect to see a greater expectation on businesses to provide evidence that they are having a positive influence on both human and natural capital. Our analysis shows that significant numbers of companies are not yet considering their impacts on both humans and nature, although more progress (on both) has been made by supermarkets.

# COLLABORATION REMAINS CRUCIAL FOR ACCELERATING CHANGE

In the same way that we are recommending the government should support collaborative initiatives, especially around complex supply chain issues such as scope 3 greenhouse gas emissions, sustainable water management and land use conversion, we urge businesses to ensure that they are participating and leading the development on standards and industry-wide targets in these collaborative initiatives.

**“ Collaborative initiatives help to create a consensus on data sources, reporting standards and definitions, and on industry targets.”**

This has two key benefits. Firstly, there is a growing recognition in the industry that collaborative engagement with supply chains can be more powerful and efficient than individual initiatives, and secondly, collaborative initiatives help to create a consensus on data sources, reporting standards and definitions, and on industry targets. The key pre-competitive and collaborative initiatives that The Food Foundation has been involved in over the past year are shown in **Table 1**.

We recommend that businesses make sure they are engaging with these initiatives.

**TABLE 1:** COLLABORATIVE INITIATIVES IN THE UK THAT FOCUS ON KEY TOPICS

TOPIC	INITIATIVE
Climate change	<ul style="list-style-type: none"> <li>WRAP</li> <li>Zero Carbon Forum (restaurant, pub, hotel and brewery sector)</li> </ul>
Biodiversity (especially land use conversion and deforestation)	<ul style="list-style-type: none"> <li>Accountability Framework Initiative</li> </ul>
Food waste	<ul style="list-style-type: none"> <li>Efeca</li> </ul>
Plastics	<ul style="list-style-type: none"> <li>WRAP</li> </ul>
Water	<ul style="list-style-type: none"> <li>WRAP</li> </ul>
Living wage	<ul style="list-style-type: none"> <li>Living Wage Foundation</li> </ul>

The obvious gap here concerns healthy and sustainable food sales and, given that mandatory reporting on this is a key recommendation within the National Food Strategy, the opportunity now is for businesses to support the adoption of this by the government and to constructively engage with what should be reported and how (see Section 2a).

## KEY MESSAGES

Food businesses should focus on the following steps:

- Use the PUP dashboard to understand how their progress compares to the wider industry and their peers.
- Develop a strategy that includes improved outcomes for both people and the planet and takes into account human and natural capital. The crucial elements of this require targets for sales of healthy and sustainable food, alongside credible implementation plans for scope 3 emissions, zero land use conversion and sustainable production practices in supply chains.
- Engage with the government in support of the National Food Strategy recommendations on business reporting.
- Take a proactive role in the collaborative initiatives that exist to move the industry forwards.



## About Plating Up Progress

This report is an output of Plating Up Progress, a Food Foundation project. The project has two aims. First, to forge a consensus on metrics and reporting mechanisms that allow assessment of food industry progress in transitioning to sustainable and healthy diets. Second, to engage stakeholders to advance the uptake of these metrics and track progress in the industry.

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