



Plating Up Progress

PART 2 'Must-Have' Metrics

Retailers, caterers and restaurants aren't reporting on their transition to healthy and sustainable diets. Why does this matter for investors and what can they do about it?

About Plating Up Progress

This report is an output of Plating Up Progress, a Food Climate Research Network (FCRN) and Food Foundation project. Plating Up Progress evolved from a workshop in 2016 to discuss how food sustainability and health metrics might be used by stakeholders such as investors in assessing food industry progress. The project has two main aims. Firstly, it aims to build a consensus on metrics and reporting mechanisms that can help stakeholders to assess food industry progress in contributing to the transition to sustainable and healthy diets. Secondly, it aims to build a consensus around these metrics and a coalition of stakeholders who can advance their uptake through appropriate reporting mechanisms.



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Contents

Executive summary	4
Analysis of UK retailers, caterers and restaurant chains	6
Consistently inconsistent? Gaps in disclosure levels	7
What this means for risk and opportunity	11
Building a consensus on reporting	12
A 'call to action' for a sustainable and healthy food future	14
References	16
Appendices	17

Executive summary

In our initial investor briefing, Plating Up Progress Part 1, we identified food business risks and opportunities relating to eight urgent issues of concern:

- > **Health and nutrition**
- > **Climate change**
- > **Biodiversity loss**
- > **Water use**
- > **Food waste**
- > **Human rights**
- > **Animal welfare**
- > **Antimicrobial resistance.**

In this second report we assess how well food retailers, caterers and restaurant chains are setting publicly available performance targets that would allow investors to track progress against these issues of concern. We propose new metrics that can fill disclosure gaps where relevant, a set of questions investors should be asking companies, and set out a ‘call to action’ for increased engagement on these issues.

To ‘fix food’ we need to halt the conversion of natural habitats to agricultural land, restore fish stocks, transform the way we farm, reduce global food waste and losses, and crucially, change our diets. Inaction is not an option: the system-wide impacts of our current food system are too significant to ignore.

The risks and opportunities that exist for food businesses relate to physical risks (e.g. reductions in crop yields), regulation (e.g. the rise in sugar taxes across the world and the potential for regulation of livestock production), and changes in consumer demand (e.g. the growing interest in plant-rich foods), and reputation. See Plating Up Progress Part 1 for an investor briefing on the key issues, risks and opportunities.

The level of dependency a company has on revenue from unhealthy and/or unsustainable foods influences their exposure to these risks.

Companies should pursue two paths:

1. **diversification of revenue dependence towards healthier and more sustainable products**
2. **improvement of supply chain sustainability of the products sold.**

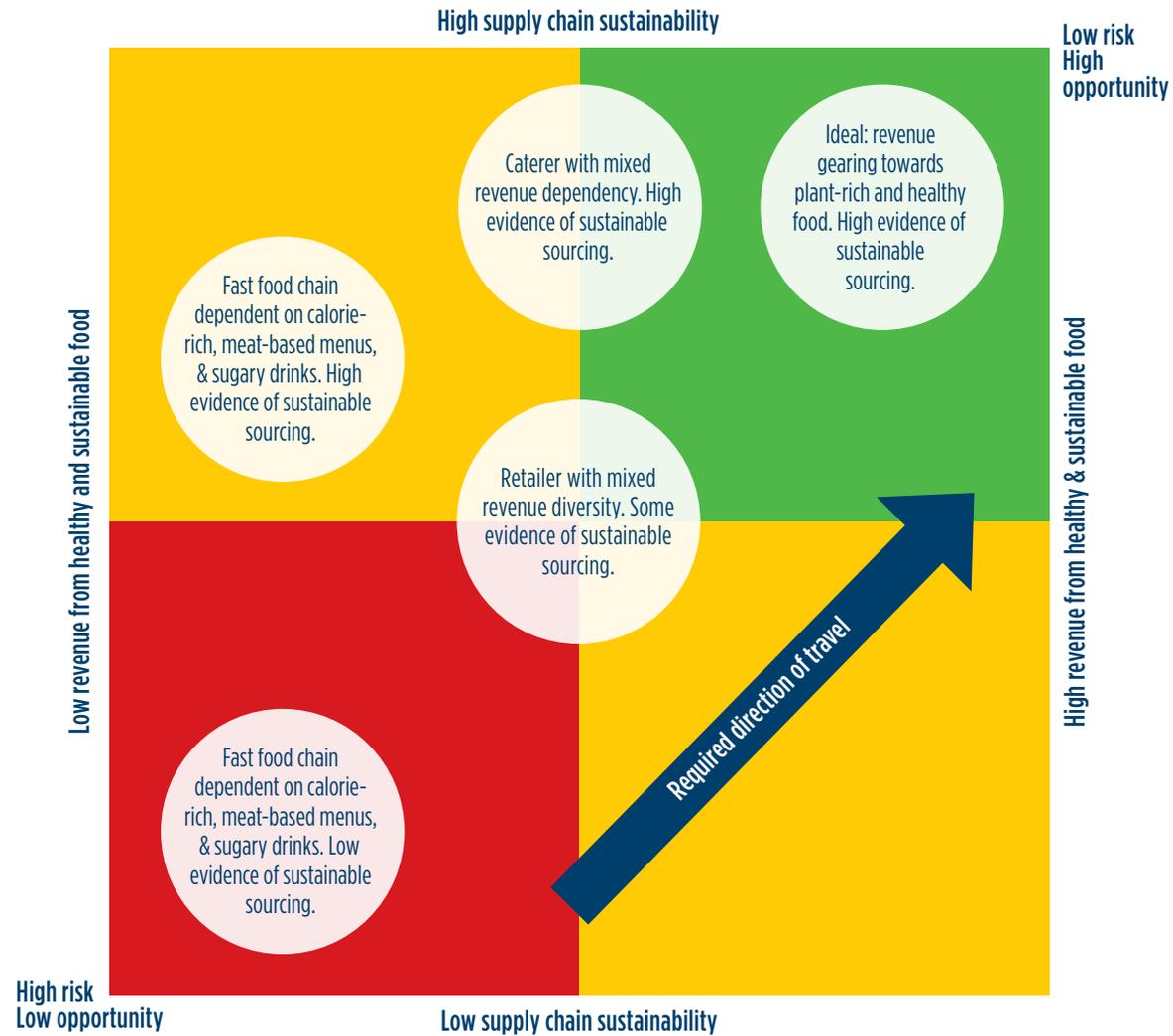
Risks and opportunities can be better understood through metrics that relate to dependency on selling foods that are unhealthy and/or environmentally damaging and how well companies are managing the sustainability of their supply chains (see **Figure 1**).

Using UK food retailers, caterers and restaurant chains as a test case, we find that corporate disclosure relating to dietary shifts is either lacking or, at best, highly inconsistent. While

companies often refer to the importance of healthy and sustainable food in their corporate reports, little concrete evidence was found that companies were shifting their business models away from dependence on animal products. Additionally, disclosure around improving the nutritional quality of food was highly inconsistent. Greater consistency was found for disclosure on sustainable supply chains (albeit with a reliance on certified sustainable products) and for animal welfare and food waste. Given the importance of dietary shifts in transitioning to a healthy and sustainable food future, we need targets and performance metrics for the shift away from animal products, from energy-dense but nutrient-poor foods, and towards plant-rich foods.

We propose a set of reporting metrics to fill these gaps that provide a way of measuring progress towards the required dietary shifts, and that allow investors to understand where companies are capitalising on opportunities or exposed to risk. This set of metrics could be included in existing benchmarks and voluntary disclosure mechanisms, could be made mandatory in corporate reporting and could be included in recognised reporting standards. We set out a ‘call to action’ for investor engagement with businesses in line with these metrics and we provide guidance on initial questions to ask in this engagement process. We also recommend that both investors and businesses collaborate with policy makers in order to find ways to strengthen the business case for change.

FIGURE 1: MODELLING RISK AND OPPORTUNITY



Analysis of UK retailers, caterers and restaurant chains

The companies we assessed included:

- › 11 UK-operating food retailers (six of which are publicly listed) with a combined estimated annual revenue for 2018 of over £200 billion (including Asda UK operations, but excluding Walmart global figures).
- › 17 caterers and restaurant chains (all of which are publicly listed) with a combined global annual revenue for 2018 of £190 billion .

(Revenue data taken from markets.ft.com and annual reports. See **Appendix A** for the list of companies included in our analysis.)

Companies report in myriad ways: via their own corporate reports, through specific disclosure mechanisms and through requests for information from different benchmarks, scorecards and indexes. See **Appendix B** for the data sources used in addition to corporate reports. Using these available data sources⁽¹⁵⁻²⁸⁾ and corporate reports, we have assessed the extent to which investors would be able to track companies' progress.

This analysis is not a benchmark of actual performance of individual companies, but a snapshot of whether clear information exists for investors to make a judgement on their progress. The available data sources were used to provide a traffic light score for both sectors on each of the key issues of concern: health and nutrition, climate change, biodiversity, water, food waste, human rights, animal welfare, and antimicrobial resistance. The methodology we used is shown in **Appendix B**.



Consistently inconsistent? Gaps in disclosure levels

Retailers versus caterers and restaurants

Our analysis shows that more information is available to investors regarding food retailers (see **Figure 2**), possibly due to higher stakeholder expectations, their larger size and greater resource capacity. For caterers and restaurants, less information is available (see **Figure 3**) and a great deal of variation is found between companies, with the largest contract caterers and global restaurant chains, perhaps inevitably, providing more information than smaller restaurant chains.

FIGURE 2: UK FOOD RETAILERS



FIGURE 3: UK-OPERATING CATERERS AND RESTAURANT CHAINS



Disclosure relating to key issues of concern

HEALTH AND NUTRITION

While both sectors do include a slightly bewildering range of data on different approaches to reformulating products or menus, **there is no consistency in information that shows how dependent companies' revenues are on unhealthy food or on the metrics used to define 'healthy or unhealthy' food.**

No retailer, or restaurant chain, and only one caterer has clearly defined targets that align with the need for a consumption shift towards fruit and vegetables.

CASE STUDIES

- **SAINSBURY'S** reports that 39% of the products in its average shopping basket are 'healthier', based on category specific criteria.
- **MARKS & SPENCER** has a 2025 target for 50% of global food sales to be 'healthier'. In neither case is it clear how 'healthier' is defined.
- **SODEXO** set a target (currently only UK-based) to increase purchases of vegetables by 16% by 2025 against a 2017 baseline.
- **GREGGS** reports a one million portion increase in sales of vegetables as part of their Peas Please pledge (made via the Food Foundation) and an increase in sales of their Balanced Choice range.

CLIMATE CHANGE

No retailers, caterers or restaurants have clearly defined targets that align with the need for a consumption shift away from animal products, although the report by Farm Animal Investment Risk and Return (FAIRR) on sustainable proteins has identified that some retailers are beginning to include targets around Scope 3 greenhouse gas emission reductions (reductions in the emissions embedded in the food purchased) and are beginning to track sales of sustainable proteins¹⁹.

As noted already, **no retailer, or restaurant chain, and only one caterer has clearly defined targets that align with the need for a consumption shift towards fruit and vegetables.**

CASE STUDIES

- **MCDONALD'S** report a 23% reduction in greenhouse gas emissions from its beef supply chain in the UK (over six years). However, this is not supported by targets for a shift away from animal products in the first place.
- **TESCO** was identified by FAIRR in 2018 as being the only UK retailer to provide any evidence that they were tracking the % of animal proteins sourced, although sales-weighted targets for alternative proteins were, at the time, lacking. See also the work by Tesco and the World Wide Fund for Nature (WWF) in Case Studies for biodiversity.

BIODIVERSITY

All retailers, and 70% of caterers and restaurants, report some targets and performance metrics targets for palm oil. However, we found less evidence for targets around sustainable soy and animal feed in the supply chain.

Most disclosure in these cases relates to own-brand products rather than branded products, and relies on certification schemes such as the Roundtable on Sustainable Palm Oil (RSPO), the Marine Stewardship Council (MSC), the Aquaculture Stewardship Council (ASC) and, for soy, the Round Table on Responsible Soy (RTRS) or ProTerra. Whilst certification schemes have been criticised, they clearly remain the primary approach used by both sectors. We also found a lack of consistency in reporting on sustainable farming practices within companies' supply chains, with different companies reporting a variety of farming schemes and, in some cases, providing no information at all.

CASE STUDIES

- **TESCO** is partnering with WWF to measure and halve the environmental impact of the average UK shopping basket, while ensuring products remain affordable. Whilst the metrics behind this are not yet published, it represents an opportunity for a sector-wide consensus for targets and performance metrics that relate to climate change, biodiversity and water.
- McDonald's report that 65% of the soy in its European animal feed supply chain is RTRS or ProTerra certified, with a 2020 target of 100%, and all white fish is MSC certified.



WATER

Targets for responsible water management in the supply chain are lacking, supported by the fact that **only three retailers and four caterers or restaurants currently disclose on CDP Water** (with only two companies receiving an A rating).

FOOD WASTE

All companies report on food waste reduction targets to some extent, although there is a lack of consistency. Some companies have **on-site waste reduction** targets, others focus on **waste redistribution**, whilst some only have targets for **zero waste going to landfill**. Retailers generally report more on-site and redistribution, so, for balance, we highlight two caterers that are leading on food waste in that sector.

CASE STUDIES

- **COMPASS GROUP** was an early adopter of the UK Food Waste Reduction Roadmap, and has set clear targets to reduce food waste by 20% by 2025, using on-site technology to cut waste as well as redistribution partnerships.
- **SODEXO** set a UK-based target for 100% of sites to be actively reducing food waste by 2025 as part of their Better Tomorrow 2025 Commitment to reduce food waste by 50% per capita.

HUMAN RIGHTS

Oxfam's report on supermarket supply chains shows **low but improving scores for retailers' commitments to human rights in their supply chains**, focusing on transparency, workers' rights, farmers' rights and women's rights²⁴. **For caterers and restaurants, beyond Modern Slavery statements, very little evidence is found** for ensuring human rights in the supply chain.

ANIMAL WELFARE AND ANTIMICROBIAL RESISTANCE

Nine food retailers and eight caterers and restaurant chains moved up at least one tier in the Business Benchmark on Farm Animal Welfare (BBFAW) ranking between 2012 and 2018. This illustrates how consistent use and communication of metrics (in this case through a benchmark) allows progress to be tracked. Being able to 'track and compare' across the diverse and interrelated issues is key for investors to understand risk and opportunity in these sectors.

"Nine food retailers and eight caterers and restaurant chains moved up at least one tier in the Business Benchmark on Farm Animal Welfare ranking between 2012 and 2018."

Reporting on sustainable supply chains

Overall there is a greater focus on production-side issues than dietary shifts. Reporting on sustainable palm oil and seafood, although to a much lesser extent soy, was found for many companies (either via CDP Forests, the WWF palm oil and soy scorecards, Forest500 or within their own corporate reports) but by no means all. Commitments to zero deforestation have been criticised when disclosure relies on certifications alone²⁹, although very few companies are currently going beyond the use of certification schemes. **We found no evidence for companies setting targets to shift their revenue away from foods that were dependent on the key commodities that actually drive deforestation and land conversion (such as cattle, palm oil and soy in animal feed).**

Information is, however, available on animal welfare and antimicrobial resistance for both sectors, due in part to extensive coverage of both sectors by BBFAW. A key point here is that BBFAW has been operating since 2012: widespread improvements in disclosure and performance require time, focus and consistency.

Reporting on healthy and sustainable dietary shifts

Both sectors are lacking comprehensive SMART (Specific, Measurable, Accurate, Reliable, Timely) targets around healthy and nutritious food and dietary shifts for 'less and better' animal products and more plant-rich foods. Reporting is focused on the reformulation of limited food categories or, in some cases, single-issue targets such as sugar reduction but with no real consistency. While this information provides some indication of progress, **the lack of consistency and the absence of sales-weighted data presents a challenge for risk and opportunity assessment.** Data cited in the the Public Health England (PHE) report on progress towards a reduction in sugar (part of the UK voluntary sugar reduction program³⁰) shows similar inconsistencies. In the PHE report, while evidence of sugar reduction was shown, certain products showed an increase in sugar. A genuine understanding of how dependent companies are on unhealthy products will require more comprehensive and comparative reporting across food categories.

While companies frequently refer to initiatives designed to make plant-rich foods more available to customers, **no concrete evidence (such as sales-weighted targets) is found for actual shifts from animal-based to plant-rich foods.** Swapping animal products for plant-rich foods is probably the most crucial dietary shift in terms of environmental impacts, and yet it remains largely untouched in company disclosure beyond general statements around healthy and sustainable food choices, and some comments on plant-rich products and menu ranges.

Despite the fact that climate change is one of the major challenges of our time, we found a lack of targets for Scope 3 emissions (in this case relating to the greenhouse gas emissions embedded in the food purchased). While we acknowledge that reporting Scope 3 emissions from food purchases can be challenging for some companies, data, availability is improving and combining targets for dietary shifts and supply chain improvements can facilitate better reporting of Scope 3 emissions over time. For an overview of retailer performance on sustainable proteins, see FAIRR's 2018 report *Plant-based profits: investment risks and opportunities in sustainable food systems*¹⁹.

"No concrete evidence (such as sales-weighted targets) was found for actual shifts from animal-based to plant-rich foods."

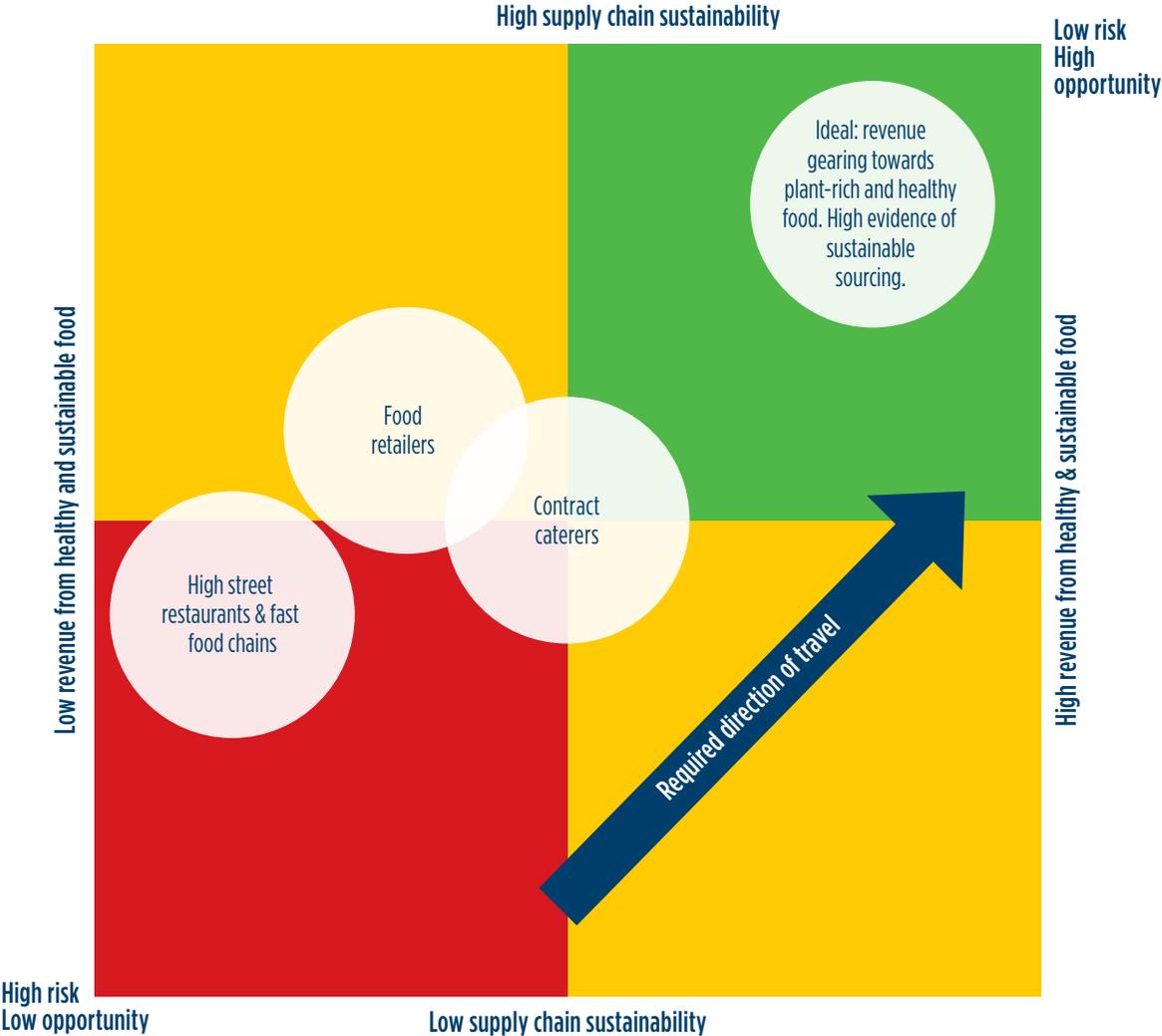
What this means for risk and opportunity

Looking at the sectors as a whole, the current lack of disclosure on key issues suggests that some companies could be exposed to regulatory and consumer-driven risks concerning their dependency on unhealthy and unsustainable foods as well as their supply chain sustainability. The main risks include sugar taxes, regulation on food waste, policy interventions that could change the cost of animal products, failing to meet consumer demand for 'flexitarian diets', and reputation damage.

Whilst we found significant variation across companies in each sector, high street and fast food restaurant chains could be exposed to more kinds of risk, and greater intensity of risk. All companies need to improve their reporting in order for investors to track their progress and assess management of risks and opportunities (see **Figure 4**).

Focusing only on supply chain sustainability gives a false sense of progress, given the clear need for dietary shifts and food waste reduction. Without targets for dietary shifts, any positive developments seen in the supply chain could be outweighed by business growth that drives an increase in demand for high impact commodities such as beef, poultry and soy (in animal feed). As shown in Plating Up Progress Part 1, both dietary shifts and sustainable supply chains will be needed if we are to avoid the worse effects of climate, the loss of ecosystem services, and if we are to reverse the rise of diet-related illnesses such as obesity.

FIGURE 4: CURRENT RISK ASSESSMENT FOR DIFFERENT FOOD SECTORS



Building a consensus on reporting

From this analysis, we identify the following possibilities for improving the information that is available to investors.

Expanding the sector coverage in existing benchmarks and disclosure initiatives

1. Currently, existing benchmarks and scorecards are covering on average only 50% of our target food retail companies (although our target companies include non-publicly listed retailers), and 40% of the publicly listed catering and restaurant companies (see **Appendix C** for more detail on sector coverage across these benchmarks and voluntary disclosure mechanisms). As should be expected, sector coverage tends towards the largest companies, although as BBFAW shows, broader sector coverage is possible.
2. Voluntary disclosure is slightly lower than benchmark coverage for both sectors, with disclosure on CDP Carbon, Forests and Water being, on average, 42% and 35% for retailers and caterers/restaurants respectively. This implies an opportunity for improved voluntary disclosure from these sectors on CDP Carbon, Forests and Water. Incentivising greater levels of future disclosure is important.
3. We lack benchmarks that specifically focus on health and nutrition in both sectors (although the Access To Nutrition Initiative, which currently focuses on food manufacturers, has aspirations to extend indexes to these sectors should funding be available to do so).
4. Similarly, an investor-focused food waste benchmark could provide value given the importance of food waste reduction for a sustainable and healthy food future.

New metrics to fill disclosure gaps

The biggest gaps relate to dietary shifts. Metrics should be SMART (Specific, Measurable, Accurate, Reliable, Timely), and act as a way to gauge progress in shifts away from reliance on animal products and quantifiably unhealthy foods, and towards the use of sustainable proteins, plant-based foods, and healthy foods. These metrics should include sales-weighted targets in order to track how companies are aligning their business models with health and sustainability, and could be achieved without disclosing commercially sensitive data through metrics that relate to the average shopping basket (for retailers) and sales-weighted menu data or procurement data for caterers and restaurants. These additional metrics could be included in sustainability reporting standards such as the Sustainability Accounting Standards Board (SASB), which currently does not include metrics that relate to 'less and better' animal products and more plant-rich food.

A proposal for these new metrics, and where further work is required to build industry consensus, is included in **Appendix D**.

A minimum set of metrics for smaller companies

For smaller companies (such as medium-sized caterers and restaurant chains) that do not have the resources to disclose on mechanisms such as CDP, or are not large enough to be included in benchmarks, a minimum set of metrics could be reported via their corporate reports. For the must have' metrics, see **Appendix E**.

Companies' internal tracking of progress

Mapping progress across the eight issues of concern could also act as a valuable tool for companies to understand where they are making most progress, and where they need to increase efforts.



"An immediate investor initiative is needed to build expectations for improved, and consistent, reporting. The key reporting gaps that need to be filled relate to dietary shifts."

A ‘call to action’ for a sustainable and healthy food future

Industry consensus on metrics

In this report we have proposed the metrics that could be used to fill crucial reporting gaps (see Appendix D and E). A multi-stakeholder phase of work is needed to agree and standardise metrics, based initially on those proposed here. We need to agree the specifics of these metrics and an urgent timeline for their adoption. Barriers to the adoption of the appropriate metrics need to be understood and resolved so that all companies have the means and incentives to set targets and report on performance.

Investor expectations for improved reporting

Plating Up Progress Part 1 showed that food systems play a critical role in many of the biggest challenges of our time, and that changes are needed in what we eat and how we produce food. Inaction is not an option, and both risks and opportunities exist for food businesses. In Plating Up Progress Part 2 we show that food companies are not providing sufficient evidence of targets or progress and could therefore be exposed to multiple risks. An immediate investor initiative is needed to build expectations for improved, and consistent, reporting. The greatest reporting gaps that need to be addressed relate to dietary shifts (see Appendix D).

Investor engagement questions

In line with the metrics we are proposing, investors should ask the following questions as part of their engagement with businesses.

Dietary shifts:

1. **Does the company have targets for a proportionate shift in products and sales away from animal products and towards sustainable proteins and plant-rich foods?**
2. **Does the company have targets for a proportionate shift in products and sales away from unhealthy, energy-dense and nutrient-poor food and drinks?**
3. **Does the company have targets for absolute reductions in Scope 3 greenhouse gas emissions from food purchases by working with suppliers to reduce their emissions and setting sales-weighted targets for sustainable proteins and plant-rich foods?**

Sustainable supply chains:

1. **Does the company have targets to only use palm oil, seafood and soy (especially soy in animal feed) from certified sustainable sources?**
2. **Has the company performed a supply chain mapping for soy used in animal feed by its suppliers?**
3. **Has the company performed a supply chain mapping of foods sourced from water-scarce regions?**

4. **Does the company have targets for sustainable farming practices in its supply chain (for example organic, LEAF)?**
5. **Is the company measuring food waste and setting waste reduction targets?**
6. **Does the company have targets for foods certified to higher animal welfare standards?**
7. **Does the company have a policy to avoid the use of prophylactic and growth hormone antibiotics in its supply chain?**

Multi-stakeholder engagement

The transition to sustainable and healthy food will not be the same for all businesses, and short-term impacts and trade-offs may be seen by some as a barrier to change. International, central and local government policy that incentivises food businesses to deliver on both dietary shifts and sustainable supply chains will also be required. This can be achieved by regulation that improves the business case for change. Fiscal incentives and changes to subsidies to bring businesses in line with health and sustainability goals are measures that can drive meaningful transformation. Policy makers have the option to wield positive influence by mandating the reporting of metrics like those showcased in this report, and by ensuring that public sector procurement requires best practice in line with these metrics. Businesses, investors and policy makers have an opportunity to engage with each other to this end.

3 things that need to happen next

- 1** We need acceptance within the industry on the key metrics and an urgent timeline for adoption.
- 2** Investors need to engage with companies by asking the initial questions shown here, and by insisting on disclosure against the agreed metrics.
- 3** Investors, businesses, and policy makers need to work together to identify, apply and respond to the levers that will further strengthen the business case for change.

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Appendix A

Major food retailers, caterers and restaurant chains operating in the UK

Food retailers

Tesco Plc	Plc
J Sainsbury Plc	Plc
Asda Group Ltd (Wal-Mart Stores Inc)	Plc (Walmart Inc)
WM Morrison Supermarkets	Plc
Iceland Foods Ltd	Private
Waitrose	Employee owned partnership
Coop	Cooperative
Marks & Spencer Plc	Plc
Ocado Plc	Plc
Aldi south group	Private
Lidl UK GmbH	Private

Caterers & Restaurants

	Ownership
Mitchells & Butlers	Plc
McDonalds	Plc
Greene King	Plc
JD Wetherspoon	Plc
Whitbread	Plc
Compass Group	Plc
YUM! Brands	Plc
Dominos Pizza	Plc
Greggs Plc	Plc
SSP	Plc
The Restaurant Group	Plc
Restaurant Brands International	Plc
Sodexo	Plc
Aramark	Plc
ISS Facilities Services	Plc
Young's	Plc
Elior	Plc

Appendix B

Analysis methodology

First, we assessed whether companies were included in key benchmarks and disclosure mechanisms (see **Appendix B.1**). This was supported by desktop research looking at companies' own corporate reports using a set of questions with which to assess companies' reporting of targets for sustainable and healthy food (see **Appendix B.2**).

B1: List and description of existing benchmarks and disclosure mechanisms used in assessment of companies.

Data source	Data source type	Target sector(s)	Data sources used	Key issue(s)
Access To Nutrition Index (ATNI)	Benchmark	F&B manufacturers	Company reports and surveys	Health & nutrition
CDP Carbon	Voluntary disclosure mechanism	All sectors, all industries	CDP questionnaire and surveys	Climate change
CDP Forests	Voluntary disclosure mechanism	All sectors, all industries	CDP questionnaire and surveys	Biodiversity, climate change
CDP Water	Voluntary disclosure mechanism	All sectors, all industries	CDP questionnaire and surveys	Water
FAIRR Sustainable Proteins 2018	Benchmark	Food retailers F&B manufacturers	Company reports and surveys	Climate change, biodiversity
Business Benchmark on Farm Animal Welfare 2018	Benchmark	Food retailers Out of home F&B manufacturers	Company reports and surveys	Animal welfare
WWF Palm oil scorecard 2016	Benchmark	Food retailers Out of home F&B manufacturers Food processors	Company reports and surveys	Biodiversity, climate change
WWF Soy scorecard 2016	Benchmark	Food retailers Out of home F&B manufacturers Food processors	Company reports and surveys	Biodiversity, climate change
Forest500	Benchmark	All sectors, all industries	Company reports	Biodiversity, climate change
Sustain – Fishy Business	Benchmark	Contract caterers	Company reports and surveys	Biodiversity
Oxfam Behind the Barcodes 2018 & 2019	Benchmark	Food retailers	Company reports and surveys	Human rights
Corporate Human Rights Benchmark 2018	Benchmark	All sectors, all industries	Company reports and surveys	Human rights

Know The Chain Food & Beverage Benchmark 2018	Benchmark	F&B manufacturers Producers <i>Some retail & out of home</i>	Company reports and surveys	Human rights
Feedback 2018 Food Waste Scorecard	Benchmark	Food retailers	Company reports and surveys	Food waste

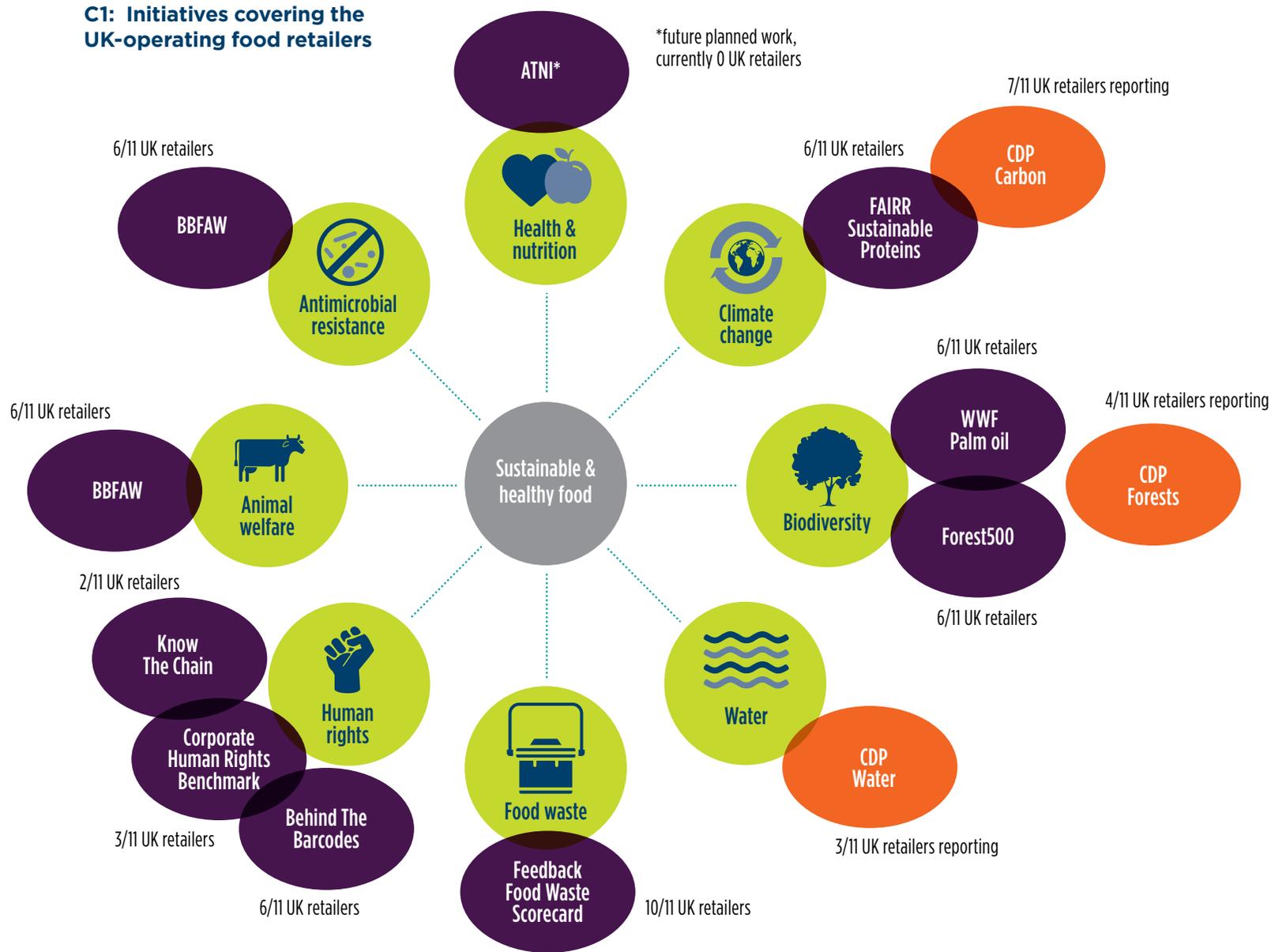
B2: key questions used in corporate reporting desktop analysis

Question	Key issue(s)
Do targets exist for reduction in GHGs emissions (Scope 3) from purchased food and drink products ("own brand" and branded products)?	Climate change
Do targets exist for a shift towards higher sales of fruit and vegetables?	Health & nutrition, climate change
Do targets exist for a shift towards higher sales of alternative proteins?	Climate change, biodiversity
Do targets exist for a shift towards higher sales of "own brand" and branded vegetarian/vegan ready meals (retailers)?	Health & nutrition, climate change
Do targets exist for a shift away from animal products?	Climate change, biodiversity
Do targets exist for a shift away from red processed meat?	Health & nutrition, climate change, biodiversity
Do targets exist for a shift away from high fat, sugar or salt "own brand" and branded confectionary, savoury snacks, desserts and soft drinks?	Health & nutrition
Do targets exist for % of "own brand" confectionary, savoury snacks, desserts and soft drinks reformulated to reduce fat, sugar or salt?	Health & nutrition
Do targets exist for % of soy in livestock feed in supply chain ("own brand" and branded) from certified RTRS or ProTerra sources?	Climate change, biodiversity
Do targets exist for reducing land-intensive animal feed in supply chain ("own brand" and branded products)?	Climate change, biodiversity
Do targets exist for % of palm oil ("own brand" and branded) from certified RSPO sources?	Climate change, biodiversity
Do targets exist for % of wild-caught seafood either MSC certified or avoiding MCS red-list ("own brand" and branded products)?	Biodiversity
Do targets exist for % of aquaculture products either ASC, GlobalGAP or BAP level2 certified ("own brand" and branded products)?	Biodiversity
Do targets exist for sustainable production practices and monitoring in the supply chain (eg, organic, LEAF, Cool Farm Tool)? (for "own brand" and branded products)?	Biodiversity
Do targets exist for assessment of water scarcity across supply chain?	Water
Do targets exist for % of supply chain producers carrying out water monitoring and efficiency programs?	Water
Do targets exist for % of food waste avoiding landfill?	Food waste
Do targets exist for % of edible food waste redistributed to under-served communities?	Food waste
Do targets exist for reduction in food waste as % of total food volume?	Food waste
Do targets exist for % of suppliers with supply chain food waste initiatives?	Food waste
Do targets exist for sustainable use of antibiotics?	Antibiotics
Does a due diligence process exist that is aligned with best practices (UN guiding principles for businesses and human rights)?	Human rights
Does a supplier engagement process exist for human rights beyond Tier 1 of supply chain?	Human rights
Does a policy on gender rights exist beyond Tier 1 of supply chain?	Human rights
Do targets exist for % of animal products (fresh/frozen meat, fish, dairy and eggs, including ready meals & meat/fish snacks) certified to highest animal welfare standards (RSPCA Assured or Organic)?	Animal welfare

Appendix C

Sector coverage across benchmarks and voluntary disclosure mechanisms

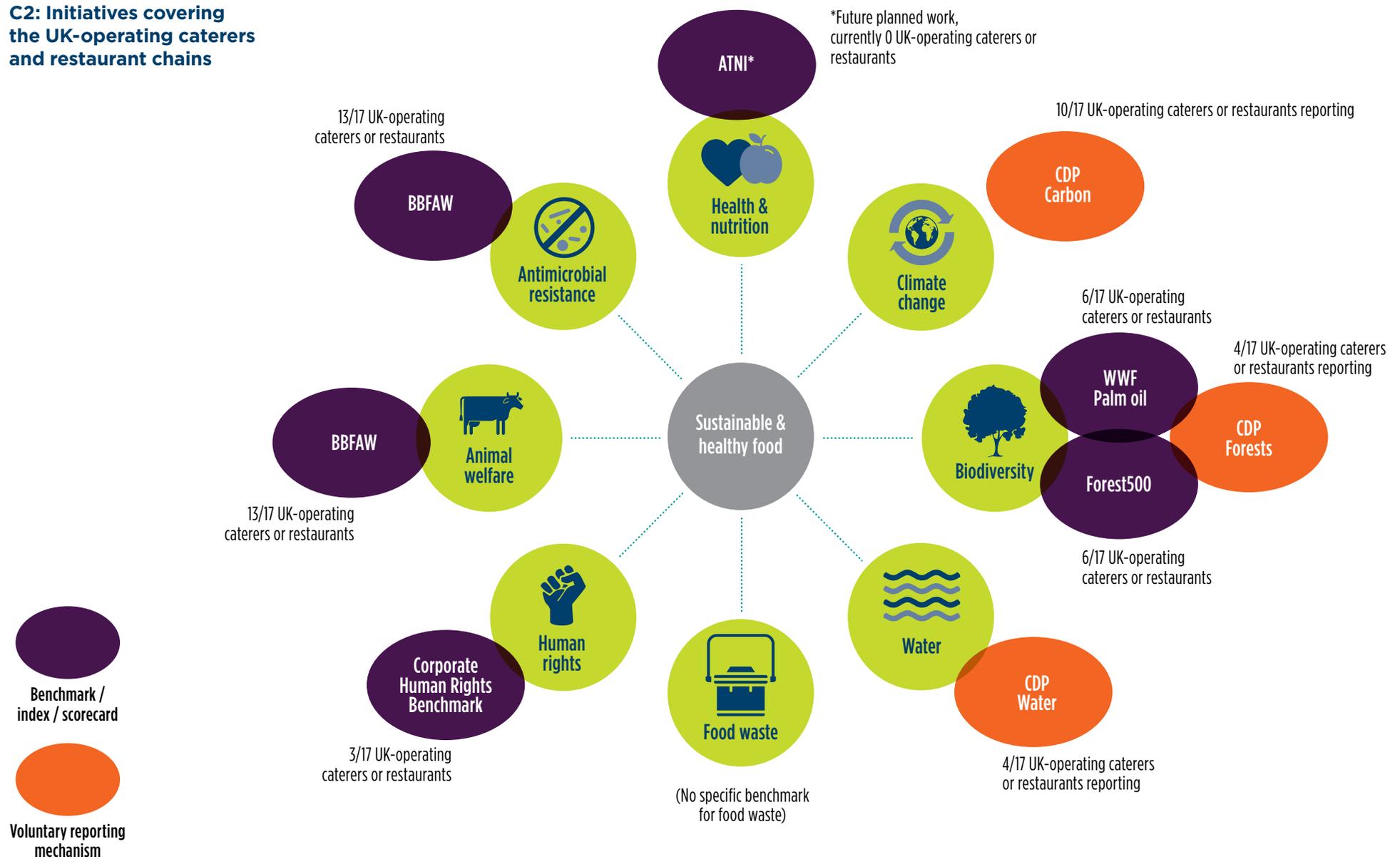
C1: Initiatives covering the UK-operating food retailers



 Benchmark / index / scorecard

 Voluntary reporting mechanism

C2: Initiatives covering the UK-operating caterers and restaurant chains



Appendix D

Metrics for the dietary shift

Retailer metrics	Key issues of concern	Transitional risk mitigation	SDG	Comments
1a. % of basket that are “animal products” (meat, fish, dairy, eggs), “sustainable protein-based” (see comment for definition), and “fruit and vegetables”.	Climate change Biodiversity Health & Nutrition	Reputation Consumer trends Regulation & policy	2, 3, 12, 13	Definition for sustainable protein: non-animal protein sources including slaughter-free meat products, plant-based meat alternatives and protein rich vegetables such as pulses chickpeas, lentils, beans.
1b. Target for % reduction in basket from “animal products”, % increase in basket from “sustainable protein-based” (see comment for definition), and “fruit and vegetables”.	Climate change Biodiversity Health & Nutrition	Reputation Consumer trends Regulation & policy	2, 3, 12, 13	As above. Time bound targets needed.
2a. % change in fats, salt, sugar (within product assortment) compared to % overall sales growth (separate metric for fats, salt and sugar). For example, sugar increased by 0.5% compared to overall sales increase of 5% – representing a decoupling of sugar from business revenue.	Health & Nutrition	Reputation Consumer trends Transparency Regulation & policy	2,3, 10,12	Could be extended to include calories, protein, fibre and other nutrients, depending on data availability. Consultation recommended to assess how well this reflects product reformulation and shifts in sales towards healthier foods.
2b. Targets for reduced % of fats, salt, sugar (within assortment) compared to % overall sale growth.	Health & Nutrition	Reputation Consumer trends Transparency Regulation & policy	2,3, 10,12	As above. Time bound targets needed.
Alternative to 2a % of shopping basket meeting agreed nutritional standard.	Health & Nutrition	Reputation Consumer trends Transparency Regulation & policy	2,3, 10,12	Need identification of the nutritional profiling standard that can be consistently used, and a definition needed of “healthy”.
Alternative to 2b. Target to increase % of shopping basket meeting agreed nutritional standard.	Health & Nutrition	Reputation Consumer trends Transparency Regulation & policy	2,3, 10,12	As above. Time bound targets needed.

Alternative to 2b. Target for products not part of the “healthy basket”. % reformulated to reduce high fat, sugar, or salt content.	Health & Nutrition	Reputation Consumer trends Transparency Regulation & policy	2,3, 10,12	Reformulation targets needed for products not qualifying under the healthy basket metric. Time bound targets needed.
Science-based climate change metrics				
3. Science-based target for reducing GHGs emissions (Scope 3) from purchased food and drink products.	Climate change	Reputation Regulation & policy	12, 13, 15	Tools such as Cool Farm Tool can facilitate this. Ideally report this on CDP Carbon. Time bound targets needed.

Caterer & Restaurant metrics	Key issues of concern	Transitional risk mitigation	SDG	Comments
Dietary shifts				
1a. % of procurement from “animal products” (meat, fish, dairy, eggs), “sustainable protein-based” (see comments for definition), and “fruit and vegetables”. Based on volume rather than spend.	Climate change Biodiversity Health & Nutrition	Reputation Consumer trends Regulation & policy	2, 3, 12, 13	Definition for sustainable protein: non-animal protein sources including slaughter-free meat products, plant-based meat alternatives and protein rich vegetables such as pulses chickpeas, lentils, beans.
1b. Target for procurement % reduction in “animal products”, % increase in “sustainable protein-based” (see comment for definition), and “fruit and vegetables”.	Climate change Biodiversity Health & Nutrition	Reputation Consumer trends Regulation & policy	2, 3, 12, 13	As above. Time bound targets needed.
2a. Sales-weighted % of menu/products meeting agreed nutritional standard (see comment for proposed standard).	Health & Nutrition	Reputation Consumer trends Transparency Regulation & policy	2, 3, 10, 12	Need to identify the standard to be consistently used. We propose “no red traffic lights for fats, sugar or salt exceeding recommended daily amounts” as a starting point.
2b. Target for sales-weighted % increase in menu/products meeting agreed nutritional standard (see comment for proposed standard).	Health & Nutrition	Reputation Consumer trends Transparency Regulation & policy	2, 3, 10, 12	As above. Time bound targets needed.
Science-based climate change metrics				
3. Science-based target for reducing GHGs emissions (Scope 3) from purchased food and drink products.	Climate change	Reputation Regulation & policy	12, 13, 15	Tools such as Cool Farm Tool can facilitate this. Ideally report this on CDP Carbon. Time bound targets needed.



Appendix E

'Must-have' metrics that should be a reporting minimum

Metric	Key issues of concern	Transitional risk mitigation	SDG	Comment
Dietary shifts				
As per Appendix D for each sector				
Sustainable supply chain				
4. Target for % of palm oil in products from certified RSPO suppliers.	Climate change Biodiversity	Reputation Consumer trends Transparency Regulation & policy	2, 12, 13, 15	Supply chain mapping needs to improve if we are to achieve supplier-based rather than product-based reporting. Can be reported via CDP Forests. Target should be 100% and time bound.
5. Target for % of wild-caught seafood either MSC certified or avoiding MSC red-list ("own brand" and branded products).	Biodiversity	Reputation Consumer trends Transparency Regulation & policy	12, 14	Target should be 100% and time bound.
6. Target for % of aquaculture products either ASC, GlobalGAP or BAP level2 certified ("own brand" and branded products).	Biodiversity	Reputation Consumer trends Transparency Regulation & policy	12, 14	Target should be 100% and time bound.
7. Target for % of products produced under sustainable production practices and monitoring.	Climate change Biodiversity	Reputation Consumer trends Transparency Regulation & policy	2, 12, 13, 15	SAI's Farm Sustainability Assessment tool "Gold" standard, organic, LEAF, Global GAP. Target should be 100% and time bound.
8. Company has carried out a mapping of soy in livestock supply chain.	Climate change Biodiversity	Reputation Consumer trends Transparency Regulation & policy	2, 12, 13, 15	Flexibility allowed for soy mapping progression for companies of different resource capacity. Multi-stakeholder approach is needed to facilitate supply chain mapping. Can be reported via CDP Forests. Needs to be time bound.
9. Target for % of soy in livestock supply chain from credible certification scheme (e.g. RTRS or ProTerra soy).	Climate change Biodiversity	Reputation Consumer trends Transparency Regulation & policy		Multi-stakeholder approach is needed to facilitate supply chain mapping. Can be reported via CDP Forests. Currently challenging to achieve 100%. Targets need to be time bound.

'Must-have' metrics that should be a reporting minimum - continued

10. % of animal feed producers in supply chain that use significant sustainable alternatives (such as insects, algae).	Climate change Biodiversity	Reputation Transparency Regulation & policy	2, 12, 13, 15	This is an emerging area of research so will need to be developed over time.
11. Company has carried out a mapping of food sourced from water stressed regions.	Water	Reputation Regulation & policy	6, 12	Work needed to define water scarce regions. Companies can use for example WRI Aqueduct. Multi-stakeholder approach is needed to facilitate supply chain mapping. Can be reported via CDP Water and needs to be time bound.
12. Target for % reduction in food waste.	Food waste	Reputation Consumer trends Transparency Regulation & policy	3, 12, 13, 14, 15	Target should be for at least 50% reduction in food waste and time bound.
13. Target for % of edible food waste that is donated or recycled.	Food waste	Reputation Consumer trends Transparency Regulation & policy	3, 12, 13, 14, 15	Target should be 100% and time bound.
14. Target for % of animal products certified to high animal welfare standards.	Animal welfare	Reputation Consumer trends Transparency Regulation & policy	12	Most companies are included in BBFAW so, preferably, use BBFAW tier ranking as indication of performance on animal welfare.
15. Company has clear policy on antibiotics in livestock to avoid use as a prophylactic or growth hormone.	Antimicrobial resistance	Reputation Consumer trends Transparency Regulation & policy	12	Most companies are included in BBFAW so, preferably, use BBFAW tier ranking as indication of performance on animal welfare.
Human rights				
16. Company has a clear policy on human rights and labour rights beyond tier one in the supply chain.	Human rights	Consumer trends Transparency Reputation	1, 5, 8, 10, 12	Based on consultation with NGOs in 2018. Time bound targets needed.
17. Company has a due diligence process that is aligned with best practices (UN guiding principles for businesses and human rights).	Human rights	Consumer trends Transparency Reputation	1, 5, 8, 10, 12	As above.
18. Company has carried out an engagement process for human rights and labour rights beyond tier one in the supply chain.	Human rights	Consumer trends Transparency Reputation	1, 5, 8, 10, 12	As above.

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