



2021 Food and Agriculture Benchmark

Insights Report

March 2022

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Foreword



The 2021 Food and Agriculture Benchmark

Introduction

We are going through tumultuous times. While the world has been dealing with the implications of the COVID-19 pandemic, the severe impacts of climate change are felt across the globe each day. Geopolitically there is instability, which also destabilises our global food systems. Such as the situation in Ukraine which is currently impacting the lives of millions of people. Before the conflict, the World Food Program (WFP) indicates that it was purchasing around 50 per cent of its wheat from Ukraine, the world's third largest exporter, for humanitarian purposes in countries such as Yemen, Ethiopia and Syria. The Ukraine crisis is likely to further increase fuel and food prices, particularly in import-dependent and low-income countries.

Companies are also faced with drastic changes in their operations due to safety challenges, and acting to pressures beyond their grasp. Many have decided or have been forced to halt or permanently withdraw their activities in both Ukraine and Russia, as a result. Food systems are likely to undergo massive disruptions, due to low supply of food and trade restrictions. Food security concerns are on the rise, and may increase in severity if the situation does not change soon.

The interconnectedness of food systems is yet underlined. Inequality, climate change and biodiversity loss are all closely linked to food production, food trade, and the treatment of workers and farmers. Multinational companies throughout the value chain dominate our food systems. The 350 most influential companies account for **more than half of the world's food and agriculture revenue**, and **directly employ over 23 million people**. They have a disproportionate impact on food systems through their supply chains and can be catalytic to drive change to limit and restore environmental degradation, increase livelihoods of producers and improve people's health and wellbeing by offering nutritious food choices.

We need food and agriculture companies to help deliver on key global agendas such as the **Sustainable Development Goals (SDGs)** and the **Paris Agreement**. With their global footprint and influence, on farmers and consumers, through their operations and supply chains, companies can drive real change. Food systems transformation cannot be achieved without companies being at the frontline. At the same time, they should be held accountable for their actions. As such, WBA's Food and Agriculture Benchmark is an **accountability tool** for the private sector.

While the benchmark shines a light on performance of key segments and industries in the food value chain as well as individual company performance, this insights report aims to provide more detailed benchmark results and outcomes. At the request of companies and other stakeholders following the 2021 publication, this report also provides examples of [leading practices](#) on key topics. Importantly, we will also outline engagement opportunities in 2022, our first year of impact, and look ahead to the 2nd iteration of the benchmark in 2023.

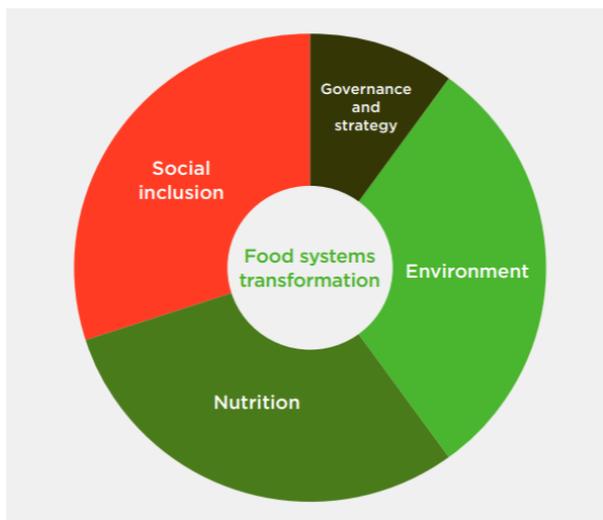
We invite all benchmark stakeholders to reach out to [our team](#), or join one or more of our activities, and become part of the conversation!



The benchmark

The [WBA's Food and Agriculture Benchmark](#) is the first to assess the performance of 350 of the most influential multinational [food and agriculture companies](#) along the entire food and agriculture value chain. The benchmark encompasses companies active in the agricultural inputs, agricultural products and commodities, animal protein, food and beverage processing and manufacturing, retail and food service segments. In accordance with [the methodology](#), the assessment spans across 45 indicators in the interlinked areas of food systems transformation: governance and strategy, environment, nutrition and social inclusion.

The benchmark was launched alongside the 2021 United Nations Food Systems Summit, a critical moment which underlined the interconnectedness of food systems and global challenges such as hunger, climate change, poverty and inequality. The benchmark aims to serve as an accountability tool to assess companies on their operations and value chain activities.



Results from the 2021 benchmark demonstrate that the food and agriculture sector is not on track to transition to a sustainable food system. Our key findings reveal worrying gaps in the industry's preparedness for climate change, progress on human rights and contribution to nutritious diets. Whilst pressure on the food sector is mounting, many major companies continue to operate within 'business as usual' parameters and insufficiently contribute to achieving the Sustainable Development Goals (SDGs) or meeting the Paris Agreement.

With less than a decade left, it is imperative to act now. Companies from across the sector must become successful drivers of change and demonstrate strong, equitable and innovative leadership. We look forward to working on this together with companies and with [the members of our Alliance](#).

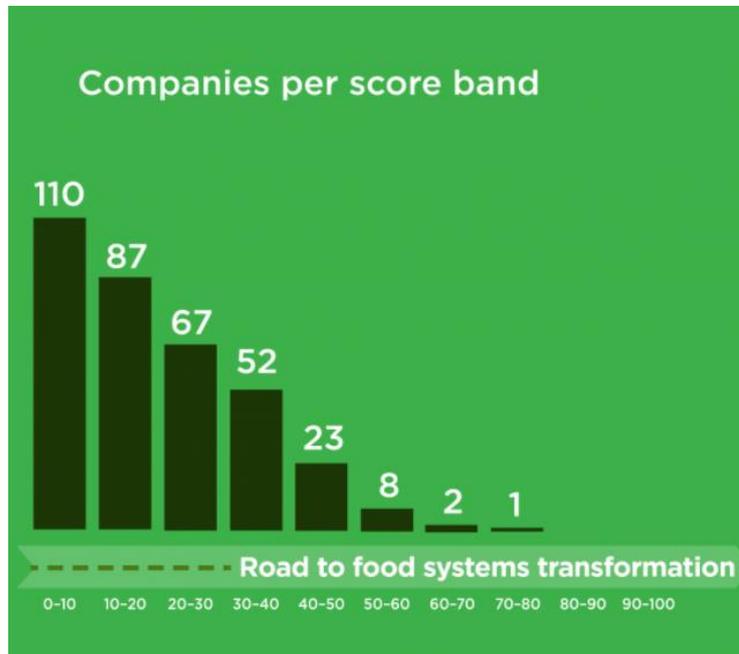
The ranking

Unilever tops the 2021 Food and Agriculture Benchmark, followed by Nestlé and Danone. The top ten is made up of fertiliser company OCP (fourth), brewing and beverage companies Anheuser-Busch Inbev (fifth) and Diageo (ninth), food and beverage processor PepsiCo (sixth), retailer Tesco (seventh), dairy cooperative Fonterra (eight) and the ingredients company Firmenich (tenth). Notably, the top ten includes companies from all benchmark segments except for food service, demonstrating that companies from across the value chain are showing leadership on sustainable development issues in the food system.

Overall [average benchmark performance is low](#). Almost two-thirds of the companies in scope fail to obtain a quarter of total scores, demonstrating significant room for improvement across all measurement areas. The average score in all six segments falls below the 25 point threshold, showing a clear need for companies from across the value chain to improve their performance on sustainability issues. Currently, the world's most influential companies are falling a long way short when it comes to their contribution to transforming the food system.



Beyond the top performers, scores decrease rapidly. Most strikingly, 229 of all companies assessed are performing below 25/100. However, most of the targets and commitments that companies have set need to be realised at farm level or in supermarkets and restaurants. If conditions are to improve for the millions who depend on agriculture for their livelihood and the most vulnerable families that cannot afford a healthy diet, we need all companies across the value chain to take action and recognise the role they play in the larger system.



From the 229 companies that score below 25/100 on the benchmark, 78 companies score below 10/100 and an additional 32 companies score 0/100. These companies choose to disclose little or no information and do not publicly acknowledge the impact they have on the environment, their workers and supply chain partners and the nutritional intake of people who eat their food. We need these companies to come to the table, take part in the conversation and share the risks and opportunities they face, so that ultimately they can achieve meaningful impact in the system in which they operate.



Measurement area key findings

The benchmark assessed 350 companies along the food and agriculture value chain on their performance on 45 indicators across four measurement areas. Key findings are summarised per measurement area. Leading practices on benchmark topics are outlined on a separate [webpage](#).

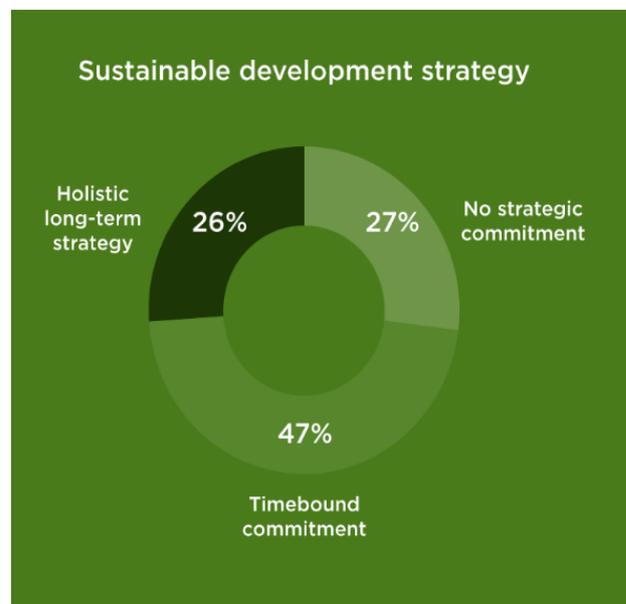
Governance and strategy

This measurement area focuses on the integration of sustainable development objectives and targets into companies' core strategy, business model and governance structure. It captures companies' overall commitment to sustainable development, including whether the company's highest governing board is responsible for leading its progress on sustainability targets, as well as its stakeholder engagement activities.

Key finding: Sustainability strategies are a crucial first step

In the [governance and strategy](#) measurement area, companies across all segments generally perform well in the benchmark. Among the top 25 companies, only the restaurant and food service segment is not represented. The top 25 consists primarily of companies in the food and beverage processor and manufacturers segment. Nevertheless, while companies generally perform well in this area, this does not always translate into a strong performance across the other measurement areas. This illustrates that a wide-ranging sustainability strategy with accountability systems and stakeholder engagement in place does not always lead on to high performance in other areas.

Integrating sustainability into a business' strategy is the first step for companies to taking responsibility on their contribution to achieving the SDGs. Companies must go beyond words and set actionable targets in the interconnected areas of environment, nutrition and social inclusion. As we head towards the 2030 ambition deadline, it is imperative that companies build stronger and more robust strategies that identify a corporate process and integrate governance and stakeholder engagement at the core. Holding oneself to account and identifying your role is crucial in collectively realising the SDGs – something that companies need to vastly improve by the second iteration of our benchmark in 2023.



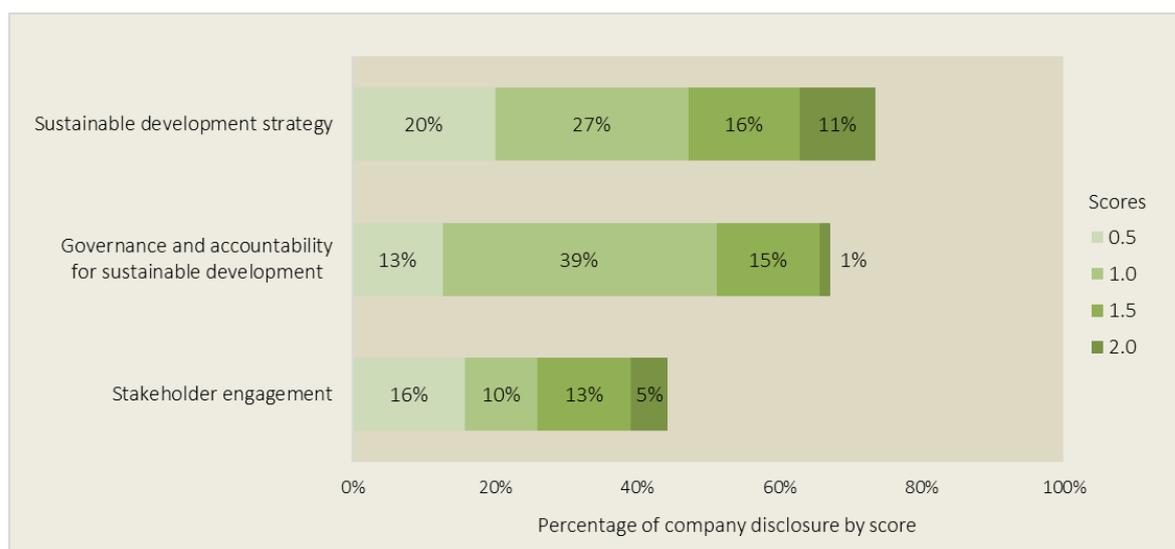
Measurement area ranking summary

In the [governance and strategy](#) measurement area, companies across all segments generally perform well in the benchmark. Among the top 25 companies, only the restaurant and food service segment is not represented. The top 25 consists primarily of companies in the food and beverage processor and manufacturers segment. Nevertheless, while companies generally perform well in this area, this does not always translate into a strong performance across the other measurement areas. This illustrates that a wide-ranging sustainability strategy with accountability systems and stakeholder engagement in place does not always lead on to high performance in other areas.

Approximately three quarters of companies have a sustainability strategy, with around 26% of these companies demonstrating a holistic long-term strategy by setting time-bound targets for relevant sustainability topics as seen in the figure below. However, only around 11% of companies have set sustainability strategies that address topics in all dimensions of the benchmark (environment, nutrition and social inclusion), highlighting that most companies are yet to take a holistic sustainability approach. Similar to the previous indicator, over 70% of companies disclose their efforts on establishing a governance and accountability framework for their sustainability strategies.

From the 350 companies assessed, 55 companies are linking their top management remuneration policy to performance around sustainable development metrics, of which five companies are going even further and linking remuneration to sustainable development metrics across all three benchmark dimensions (environment, nutrition and social inclusion). This is an important step in acknowledging sustainable development topics are as essential as other, more operational, performance metrics. While only highest governance body and executive compensation were evaluated, the aspiration is that eventually, remuneration linked to sustainable development matters is cascaded across the organisation, much like financial performance.

FIGURE 1: PERFORMANCE OF GOVERNANCE AND STRATEGY INDICATORS



Looking ahead, companies have the greatest opportunity to improve their performance regarding their stakeholder engagement activities. Around half of the companies do not disclose sufficient evidence in this area, with only 5% of companies¹ reporting a strategic and continuous stakeholder engagement process which addresses all three benchmark dimensions. There is an opportunity for companies to increase their disclosure on their process for identifying and engaging with stakeholders, as well as how the outcomes of this process are integrated into the company's wider sustainability strategy. However, in many cases, stakeholder engagement is still seen as a one-off process and its feedback rarely makes it into the company's strategy.

Leading practices

Based on the performance of companies assessed in the Food and Agriculture Benchmark, a collection of leading company practices across various indicators in the governance and strategy measurement such as **sustainable development strategy** and **stakeholder engagement** are available on our [website](#).

Environment

This measurement area addresses the key issues of sustainable food production. Food production is a key contributor to climate change, deforestation, biodiversity loss and freshwater depletion, with almost half of global production relying on exceeding the planet's environmental boundaries. The private sector is the largest player in food production and is therefore well positioned to transform the food and agriculture system to be more sustainable.

Key finding: The sector is not taking environmental responsibility

More than one-quarter of the world's GHG emissions stem from activities associated with agriculture, forestry, and land-use change. Unless actively addressed, these emissions are likely to increase due to population growth increasing the demand for food. The world is becoming ever-more conscious of the climate-impact of our food system, yet benchmark results find that only 26 companies have set greenhouse gas (GHG) emission reduction targets covering their direct (scope 1 and 2) emissions aligned with the 1.5-degree trajectory as recommended by the Paris Agreement. Furthermore, 189 companies have not set targets to achieve deforestation and conversion-free supply chains for their high-risk commodities.



¹ Charoen Pokphand Group, Diageo, DSM, Firmenich, FrieslandCampina, Givaudan, International Flavors & Fragrances (IFF), Kerry Group, Kroger, Nippon Suisan Kaisha (Nissui), PepsiCo, Shoprite Holdings, SSP Group, Tate & Lyle, Tongaat Hulett, Unilever, Uni-President, Vion.



Measurement area ranking summary

Environment sits second, after governance and strategy, in terms of overall company performance, reflecting the maturity of topics in this measurement area. The top ten companies in this dimension consist primarily of food processors and manufacturers, including Danone, Unilever, Nestlé and Kellogg's as well as beverage companies Molson Coors, Anheuser-Busch InBev, PepsiCo and Diageo. Among the top ten are also agricultural inputs company OCP (six) and food retailer Tesco (ten).

Corporate performance varied significantly across indicators in the environment measurement area. As one of the most mature topics with well-established reporting frameworks, around 65% of companies assessed in the benchmark disclosed some efforts on reducing their direct emissions. In contrast, disclosure against reducing scope 3 emissions is significantly lower with only 40% companies reporting on their reduction efforts. Moreover, the majority of companies are yet to evidence that their targets and reporting are in line with the 1.5-degree trajectory.

Sustainable fishing and aquaculture

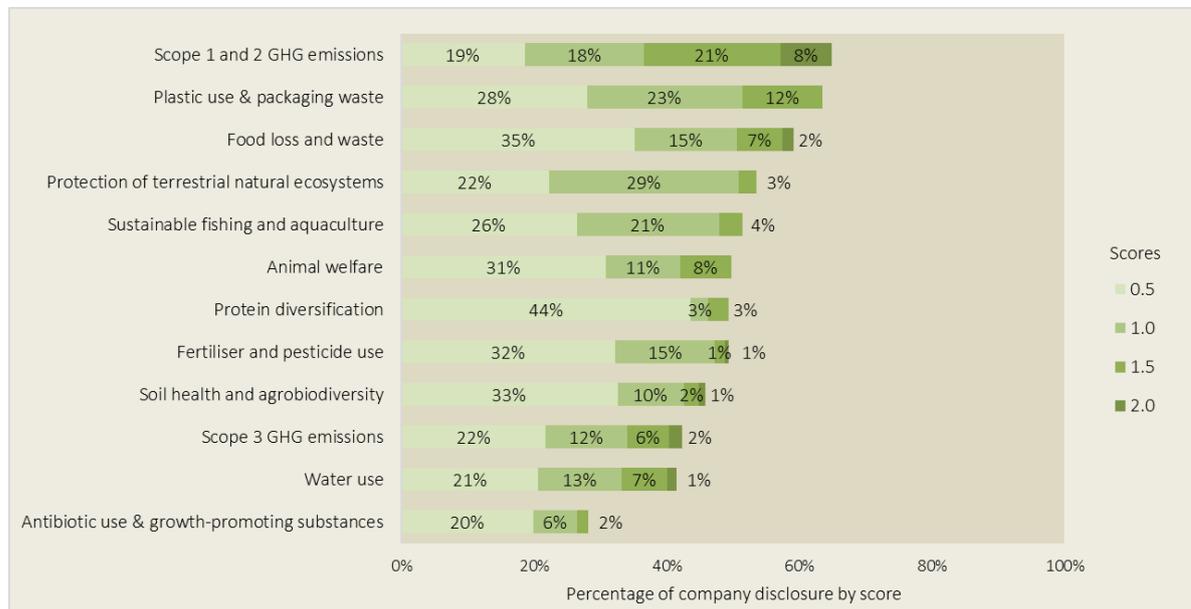
According to the FAO, in 2017 about a third of the global fish stocks were overfished, while nearly 60% were fully exploited. Over half of the 140 companies assessed on this topic in the benchmark, provided disclosure regarding their efforts on improving the sustainability of seafood products. While a quarter of these companies demonstrated qualitative evidence through relevant commitments, only five companies (Aldi South Group, Kroger, Mowi, Nestlé and Nutreco) set targets and reported progress on ensuring sustainable seafood across 100% of their portfolio. In line with SDG 14, companies at all levels of the value chain are expected to set robust and timebound targets and report against them to ensure seafood is produced sustainably and equitably. Similar findings were also revealed through the second iteration of the Seafood Stewardship Index, one of WBA's spotlight benchmarks, which focuses on the largest 30 seafood companies. Results showed that while the majority of companies have commitments and are involved in improvements initiatives, these fail to provide comprehensive and quantitative reporting of progress.

The indicator with the least amount of company disclosure was on reducing antibiotics use and growth-promoting substances. Of the 231 companies that were assessed against this indicator, approximately 70% were unable to demonstrate the basic commitment of disclosing policies on reducing the prophylactic use of antibiotics and growth promoting substances. Company performance across the indicator ensuring animal welfare standards was slightly better. While 50% of



companies in scope provided disclosure on ensuring animal welfare standards, only 18 companies² demonstrated leading practices on this topic through extensive target setting and disclosing verification processes.

FIGURE 2: PERFORMANCE OF ENVIRONMENT INDICATORS



Indicators on plastic use and packaging waste and food loss and waste had high disclosures from companies. For both indicators, approximately 60% of companies provided some form of evidence through commitments, policies, programmes and targets. While six companies were able to demonstrate leading practice under the food loss and waste indicator, no company achieved the highest score under the plastic use and packaging waste indicator which included demonstrating 100% use of sustainable packaging.

Leading practices

Based on the performance of companies assessed in the Food and Agriculture Benchmark, a collection of leading company practices across various indicators in the environment measurement such as **reducing greenhouse gas emissions, promoting soil health and agrobiodiversity, and eliminating food loss and waste** are available on our [website](#).

In February 2022, WBA kicked off a multistakeholder coalition, or Collective Impact Coalition (CIC), bringing together allies and partners around the topic of regenerative agriculture. The aim of the CIC is to motivate companies to make the transition towards regenerative agriculture, using WBA's benchmark to track progress and embed accountability. For more information, please refer to the 'What's next?'-section in this report.

² Austevoll Seafood, Cargill, Coop Group, Danish Crown, Danone, Fonterra, Marfrig, Minerva, Mowi, Nestlé, Nueva Pescanova, Parlevliet & Van der Plas, Perdue Farms, Sainsbury's, Tesco, Unilever, Wm Morrison Supermarkets, Woolworths Group.

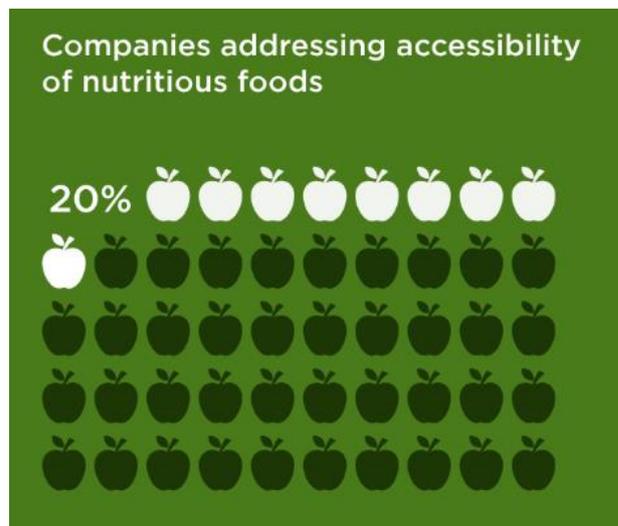


Nutrition

This measurement area addresses key actions that are needed to achieve healthy and sustainable diets. Globally, one person in ten is hungry or undernourished, while one in three adults are overweight or obese. Healthy diets are unaffordable to 3 billion people in the world and diet-related health costs are projected to exceed USD 1.3 trillion per year by 2030. Food and agriculture companies each have a unique role to play in realizing this transformation.

Key finding: Industries are not prioritising nutritious food choices

The 350 companies assessed significantly impact what ends up on consumers plates across the world. However, the majority of companies struggle to tackle nutritional and health challenges in their core business and strategy. Approximately 80% of companies in scope do not provide evidence of improving accessibility and affordability of nutritious foods.



Measurement area ranking summary

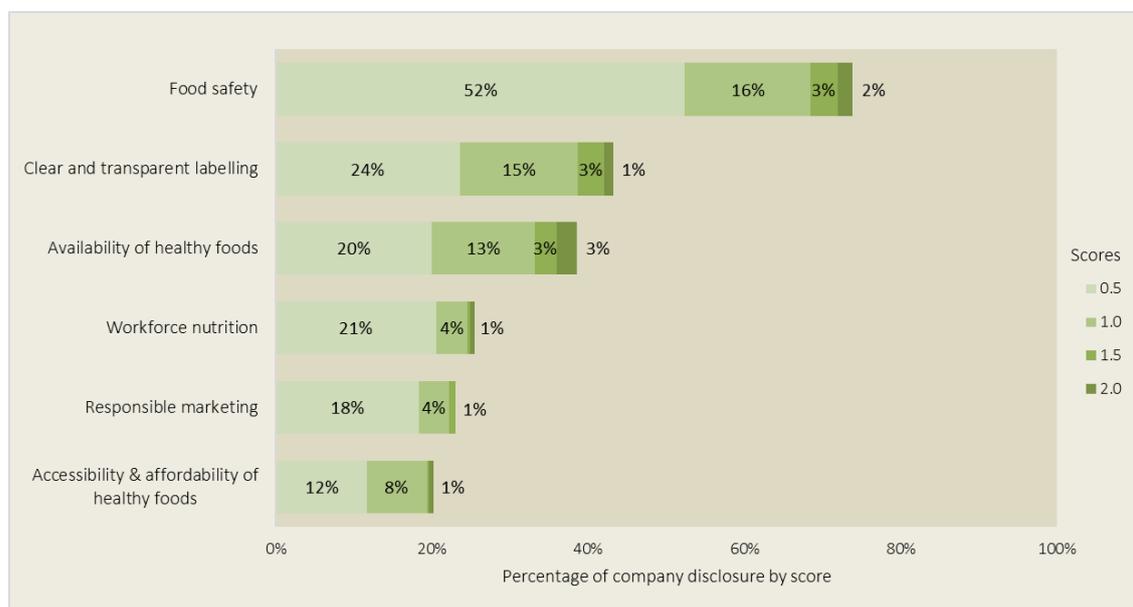
The [nutrition](#) measurement area is where the 350 companies demonstrate the poorest performance across the benchmark, highlighting the general lack of disclosure by companies in addressing nutritional topics. Nonetheless, the few high performers in this segment disclose relevant information across all key topics, presenting an example for other companies to follow their approach. Notably, companies in the food and beverage processors and manufacturers segment outperform those sitting in other value chain segments.

Indicators on food safety and clear and transparent labelling show the highest level of company disclosure. The maturity of these topics is arguably higher than other nutrition areas due to the influence of (inter)national legal frameworks. For instance, around three-quarters of companies assessed in the benchmark disclosed commitments and reporting towards ensuring food safety. However, only 5% of those companies³ are working to ensure their suppliers also meet the highest food safety standards. Among consumer-facing companies, over 40% provide evidence of adopting

³ Greenyard, Groupe Limagrain, Muyuan Foods, Nordzucker, Vinamilk, Zespri.

clear and transparent labelling practices with only 12 companies⁴ receiving higher scores for reporting on the percentage of their portfolio under such labelling commitments.

FIGURE 3: PERFORMANCE OF NUTRITION INDICATORS



Results from the availability of healthy foods indicator demonstrate that 40% of the companies have committed and taken action to address nutrition. However, the majority of companies failed to report on how they are improving the nutritional quality of their products. Similarly, most of the food and agriculture companies are yet to report evidence on how they are making healthier food options more accessible and affordable with only 20% of companies reporting on relevant commitments, activities and targets. The indicator on workforce nutrition shows that leaders (25% of the companies) in the private sector are paving the way for the implementation of workforce nutrition programmes, hence showcasing concrete examples of how they are enhancing better nutrition and health for their workforce.

Leading practices

Based on the performance of companies assessed in the Food and Agriculture Benchmark, a collection of leading company practices across various indicators in the nutrition measurement such as **accessibility and affordability of healthy foods, responsible marketing and promotion of healthy food options**, and **workforce nutrition** are available on our [website](#).

Nutrition is the dimension where most questions have been raised around leading business practices, and business expectations for upstream companies in particular. In 2022, we will host a series of roundtables with stakeholders and companies to discuss leading practices across a range of topics within the area for relevant segments and industries. As such, we aim to ignite a process of learning and seek feedback to help strengthen the methodology.

⁴ Ahold Delhaize, Anheuser-Busch InBev, Colruyt, Danone, Fonterra, Mars, Nestlé, Nueva Pescanova, Orkla, Sainsbury's, Unilever, Woolworths Group.



Social inclusion

This measurement area incorporates WBA's 18 core social indicators that assess companies on efforts to respect human rights, provide and promote decent work and act ethically as well as six transformation-specific social inclusion indicators, such as land rights and farmer and fisher productivity and resilience. Each company across the value chain has a responsibility to promote social inclusion throughout its operations and supply chain.

Key finding: Food business is failing people

The food and agricultural sector is generally recognized as a high-risk sector for human rights abuses due to its long and sometimes opaque supply chains, potentially dangerous work, and large presence of vulnerable groups such as migrants, women and young workers. As such, there is a need for companies to ensure they are aware of their human rights risks and act on them accordingly. However, our research shows that companies are performing poorly on critical social issues. Less than 10% of companies demonstrate having a full human rights due diligence mechanism in place, which is essential to become aware and act on human rights risks and impacts.



Measurement area ranking summary

In general, companies perform poorly on the [social inclusion measurement area](#) with 341 companies obtaining less than half of the total available score. The lack of disclosure from companies across the value chain is concerning, especially as we move past the ten-year anniversary of the United Nations Guiding Principles on Business and Human Rights. However, best performing companies do demonstrate that they are respecting human rights and ensuring social inclusion throughout their value chains. The top 20 includes companies from all segments of the value chain.

Core social indicators

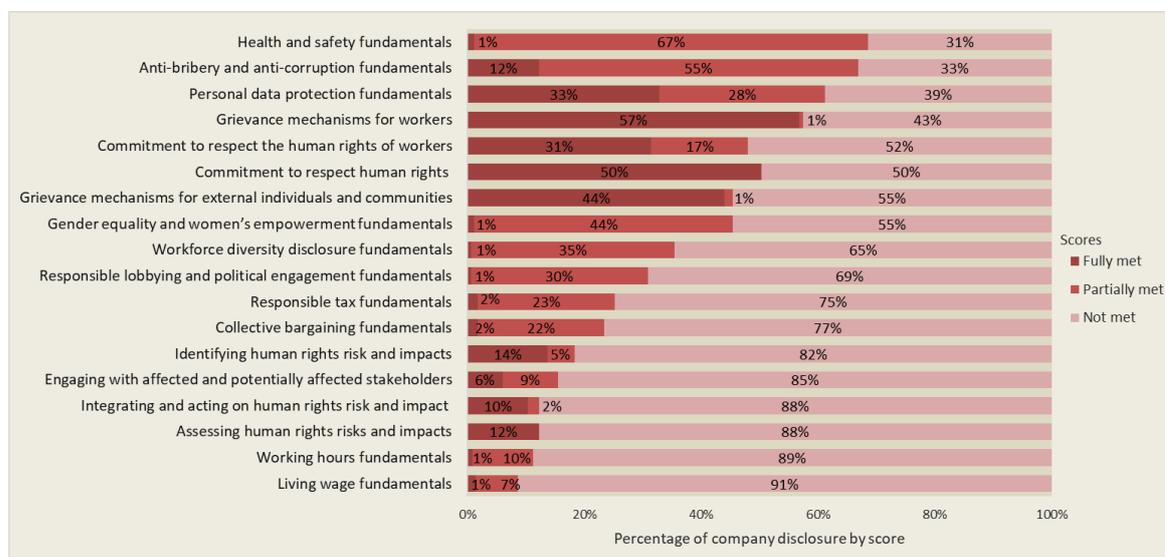
All companies in scope of the Food and Agriculture Benchmark were assessed on 18 core social indicators that assess companies against minimum standards for **respecting human rights**, **providing and promoting decent work** and **ethical business conduct**.

While 51% of companies assessed disclosed a commitment to respect human rights, the vast majority fails to demonstrate that respect through implementing a human rights due diligence process. Only 8% of companies demonstrate a process that includes identifying, assessing and acting on human rights risks and impacts. 79% fail to demonstrate any of these steps, which should seriously call into question the value of their human rights commitments. Companies also have an opportunity to increase disclosure on their engagement with human rights stakeholders, as only 10% of companies



reported relevant information. In contrast, 59% of companies demonstrated that they provide grievance mechanisms for workers.

FIGURE 4: PERFORMANCE OF CORE SOCIAL INDICATORS



Company performance was generally found to be low on indicators focusing on decent work. While companies demonstrate a higher level of disclosure on health and safety, with 63% disclosing a commitment, and gender equality, they lack meaningful disclosure on living wages, working hours and collective bargaining. Just 9% of companies demonstrated concrete action on living wage by disclosing targets, working with suppliers or disclosing how living wages are calculated. Whilst these numbers are low, companies in the food and agriculture sector were found to perform better on this indicator when compared to other sectors, likely reflecting the considerable attention the topic has received in the food and agriculture sector in recent years.

On indicators related to ethical business conduct, companies were found to perform strongest on those relating to personal data protection and anti-bribery and corruption and weakest on indicators relating to the fundamentals of responsible tax and lobbying and political engagement. 55% disclose a commitment to protect personal data and 63% a commitment to prohibit bribery and corruption, while only 23% disclose tax payments by jurisdictions and 16% disclose a policy statement setting out their approach to lobbying and political engagement.

Transformation-specific social inclusion indicators

In addition to the core social indicators companies were assessed on six transformation-specific indicators. As seen in the figure below, corporate performance across these indicators is comparatively low. Companies performed best on the farmer and fisher productivity and resilience indicator, which captured companies' commitments and evidence of activities aimed at improving the productivity, resilience and access to markets for farmers and fishers, who can benefit significantly from increased knowledge, technology and resources that companies can provide.

While over half of companies demonstrated commitments or evidence of activities to improve farmers or fishers productivity, resilience of access to markets, there is a clear lack of reporting on the impact



of these programs, with only 8% of companies meeting this requirement. Only 8 companies⁵ received the highest score by demonstrating a holistic strategic approach and comprehensive reporting on the impact of support activities. The relatively high level of disclosure compared to the other indicators reflects the wide range of activities captured through which companies could demonstrate their contribution. This has allowed us to gain insight into the range of corporate activities for the purpose of further targeting the indicator for future iterations. Based on the learnings from this indicator and the rising attention around living income, for the next iteration of the benchmark the indicator will benefit from a stronger focus on living income. The ability of farmers and fishers to earn a decent living is critical to ensure their viability and economic success.

Insights from the Access to Seeds Index

Industries at the start of the food value chain play a vital role in supporting farmers. The [Access to Seeds Index](#), one of WBA's spotlight benchmarks, assesses the efforts of companies to improve access to quality seeds of improved varieties for smallholder farmers in regions that are currently considered food insecure i.e. Western and Central Africa, Eastern and Southern Africa, and South and South-east Asia. The 2021 Index assessed 67 companies including small and medium national, regional and global seed companies. In line with the results in the Food and Agriculture Benchmark, assessing companies across all food value chain segments, the results of the Access to Seeds Index showed that some seed companies demonstrate significant improvements towards optimising smallholder farmer productivity.

Despite the high prevalence of child and forced labour in the sector, corporate disclosure of commitments and processes to tackle these issues were found to be low. While 41% of companies indicated that they will not use child labour across their operations and supply chains, few companies were able to build on these commitments by providing evidence of monitoring and verification processes, which includes requiring suppliers to verify the age of workers. Similarly, only 13% of companies provided evidence of having commitments and processes in place to eliminate forced labour, including requiring suppliers to not retain the workers' personal documents or restrict workers' freedom of movement.

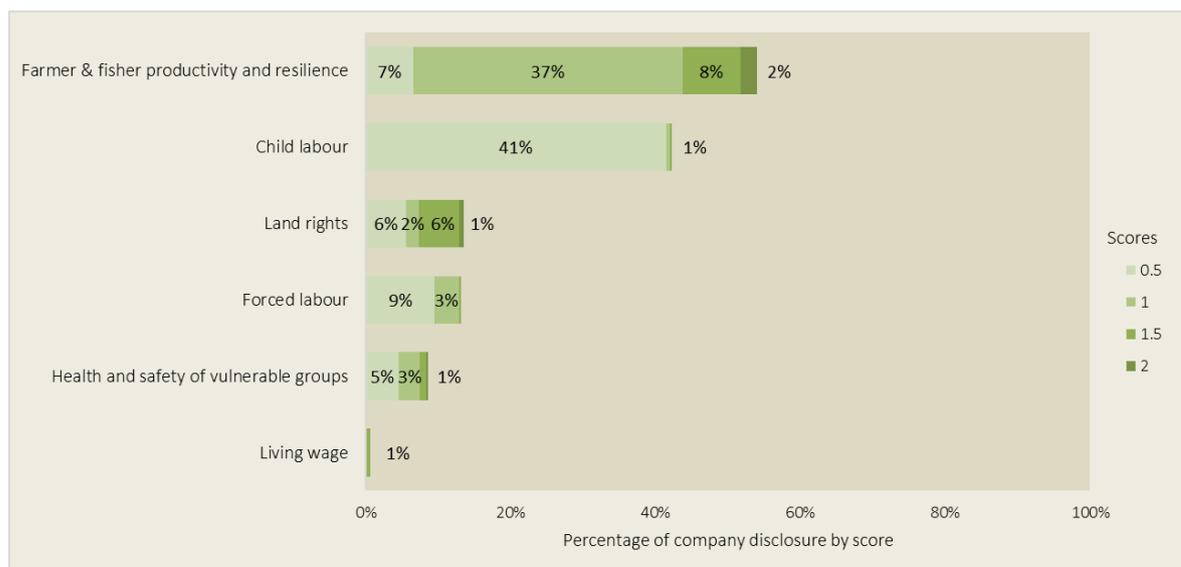
15% of the companies assessed disclose a commitment to recognise and respect legitimate tenure rights related to the ownership and use of land, with 9% of companies⁶ also requiring suppliers to adhere to this standard. While companies also disclosed grievance mechanisms covering land rights issues accessible to external individuals and communities, few companies received the highest score by disclosing their process for providing prompt and adequate remediation, including access to justice, when legitimate rights holders are negatively affected.

⁵ Anheuser-Busch InBev, Keurig Dr Pepper, Kirin Holdings, Mondelez International, OCP, Sanderson Farms, Syngenta Group, Vinamilk.

⁶ Anheuser-Busch InBev, Astra Agro Lestari, Coles Group, Fuji Oil Group, Givaudan, Golden Agri-Resources, Grupo Bimbo, Kellogg's, Kerry Group, Keurig Dr Pepper, Magnit, Musim Mas, Nestlé, Olam International, PepsiCo, Sime Darby Plantation, Sodexo, The Hershey Company, Unilever, Wilmar International.



FIGURE 5: PERFORMANCE OF SOCIAL INCLUSION INDICATORS



The agricultural sector is one of the most dangerous in terms of work-related fatalities, accidents and occupational diseases, the burden of which falls disproportionately on vulnerable groups. The benchmark therefore includes an indicator focusing on companies’ action to assess and mitigate health and safety risks to vulnerable groups in the supply chain. Whilst only 30 companies provided sufficient evidence of activities on the topic, there are examples of leading practices with some companies demonstrating how they assess health and safety risks to vulnerable groups in the supply chain and requiring suppliers to take steps as well.

Living wage is catalytic to lift agricultural workers and their dependents out of extreme poverty, but only two companies (Musim Mas and Unilever) have fully committed to paying a living wage by setting targets across their business activities and supply chains. The payment of living wages can have a transformational effect on the lives of millions and can contribute to the eradication of other human rights abuses such as child labour, as increased income can allow families to send children to school.

Leading practices

Based on the performance of companies assessed in the Food and Agriculture Benchmark, a collection of leading company practices across various indicators in the social inclusion measurement such as **human rights, land rights, living wage and health and safety of vulnerable groups** are available on our [website](#).

WBA also published a [Social Transformation Baseline Assessment](#) in January 2022, containing a more in-depth analyses of 1000 companies’ across multiple sectors against the core social indicators.



Getting behind the benchmark results

By assessing 350 companies in six segments and across multiple industries in the food value chain, the benchmark data allows us to take a deep dive and uncover particular patterns and insights in the system. For example, the likelihood of better performance in the benchmark for companies that have been in benchmarks before, or those that have been collaborating with WBA Allies. It helps to better understand the (potential) impact of our benchmarks and company performance to achieving key SDGs.

WBA found companies that are engaged with relevant WBA Allies⁷ on average score higher than non/less-engaged companies. Of the 350 companies in scope, only two are not engaged with relevant allies' initiatives, while 51 are engaged with one ally and 297 companies are part of more than one ally initiative. A company's motivation to engage with organisations that work to advance the private sector's contributions to achieving the SDGs, is strongly reflected in a higher average score. The two companies that are not part of any ally's initiative have a score close to zero (0.4/100) and companies engaged with more than one ally (average score of 21.7/100) outperform companies who are engaged with just one ally initiative (average score of 7.6/100) by a factor of 2.8.

"WBA's work is critical to bring together transparency, accountability and an independent assessment of progress."

Dr. Jyotsna Puri, Associate Vice-President, IFAD

We also see that companies that have already been part of a relevant industry or topic specific benchmark⁸, on average score 1.7 times higher than companies that have not been part of any benchmark previously. Companies that have been benchmarked before on average score 23.6/100 compared to companies that have not been part of any benchmark previously, scoring 13.8/100 on average. Of the 350 companies, 145 (41%) have not previously been benchmarked.

Similarly, the Corporate Human Rights Benchmark (CHRB) found that benchmarking drives change. Since the first iteration of the CHRB was published in 2017, we have seen clear company progress.

⁷ Relevant Allies and initiatives: Accountability for Sustainability (a4s), Business In The Community Great Britain, Business In The Community Northern Ireland, Carbon Disclosure Project, Ceres, Consumer Goods Forum, Global Child Forum, Global Reporting Initiative, International Chamber of Commerce, Principles for Responsible Investment, SASB Standards, UNEP Finance Initiative - Principles for Sustainable Insurance, United Nations Global Compact, World Business Council for Sustainable Development.

⁸ Benchmarks considered: Access to Nutrition Index (ATNI), Access to Seeds Index (ATSI), Business benchmark on farm animal welfare (BBFAW), ChemScore (Chemsec), Corporate Human Rights Benchmark (CHRB), Corporate Knights, FAIRR (Coller Protein Producer Index), Forest 500 (Global Canopy), Know the Chain (Business & Human rights Resource Centre), Oxfam – Behind the Brands, Seafood Stewardship Index (SSI), SPOTT (Zoological Society of London).



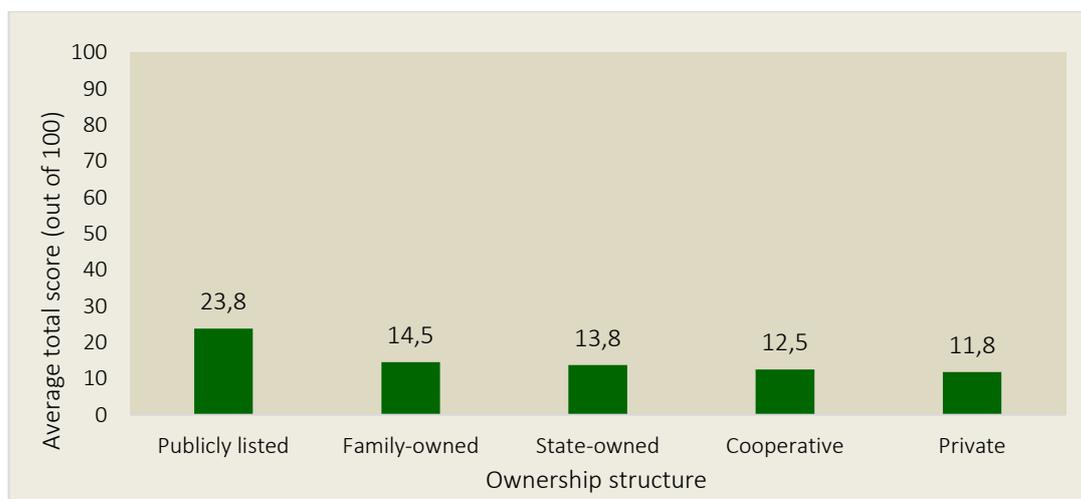
Between 2017 and 2019, average scores for companies included in all three iterations of the benchmark increased from 18% to 31%, with 75% of companies improving their scores. Benchmarking not only encourages a race to the top, but provides companies with tools to understand stakeholder expectations, identify the main gaps in their approach and disclosures, learn from their peers and challenge themselves to improve over time.

“As an Ally, Macquarie Asset Management values the WBA’s Food and Agriculture Benchmark to measure and rank many of the world’s most influential food and agriculture companies. In collaboration with the WBA research team, we’ve built these scores into our proprietary UN SDG Database, which is made available to all our public investment teams to measure their portfolios’ UN SDG alignment. We continue to support the work of the WBA and welcome further progress on the next iteration of the benchmark.”

Kerry McCarty, Senior Impact and Sustainability Analyst, Macquarie Group

Not surprisingly, data from the first benchmark in 2021 also shows that publicly listed companies on average outperform companies with other ownership structures, reflecting the greater exposure to share- and stakeholder scrutiny as well as more and increasingly stringent requirements for publication of (non-financial) data.

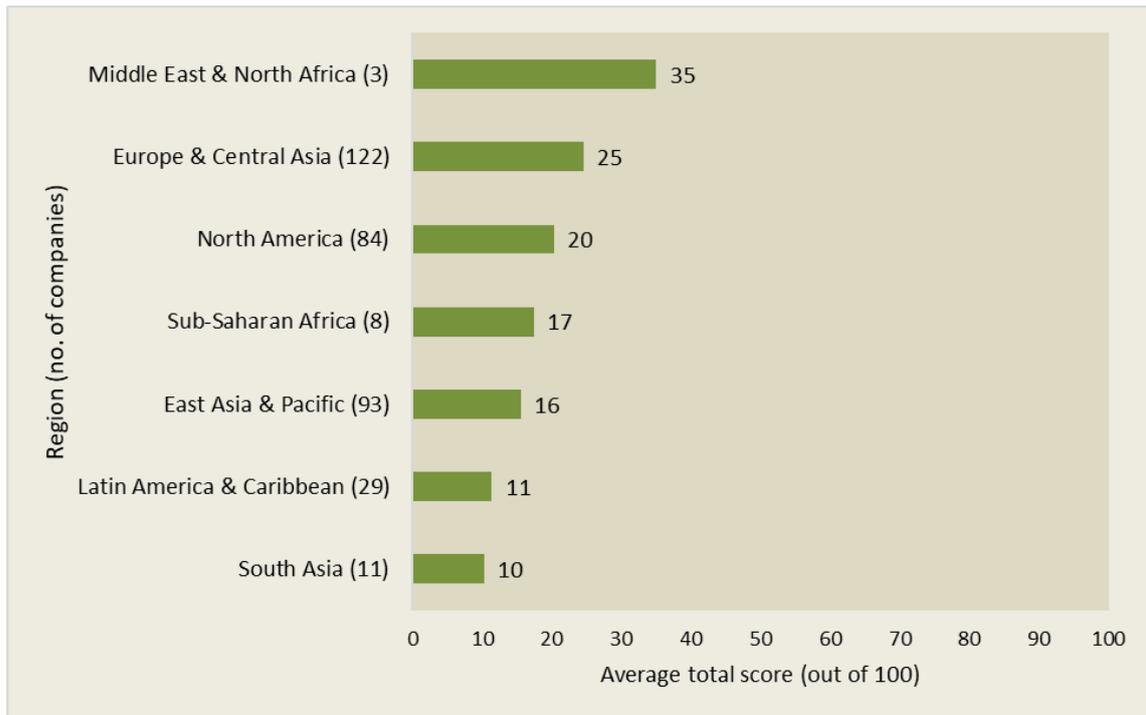
FIGURE 6: OVERALL PERFORMANCE BY OWNERSHIP TYPE



Looking at regional performance, a very small group of three companies (ICL, OCP and Savola Group) headquartered in Middle East & North Africa lead the pack, followed by the 122 companies headquartered in Europe and Central Asia (average score 25/100) and 84 companies in North America (average score 20/100). Companies headquarter in Sub-Saharan Africa and East Asia and Pacific on average score very similar with 17/100 and 16/100, respectively, however compared to 93 companies located in East Asia and Pacific only eight represent the Sub-Saharan region. The 29 companies headquartered in Latin America & Caribbean on average score 11/100, closely followed by the 11 South Asian companies with an average benchmark score of 10/100.



FIGURE 7: OVERALL PERFORMANCE BY REGION



“The WBA Food and Agriculture Benchmark is a powerful tool for engaging companies to build their transformative ambition and provides a sound framework to prioritise business strategies that are fit for the future. It shines a bright light on businesses’ current performance and underlines the scale of action needed for food and agriculture companies to step up to the challenge of shaping a regenerative and just future for food, while meeting our urgent climate challenges. The benchmark is very useful to me as a non-profit leader, working to drive systemic change.”

Lesley Mitchell, Associate Director Sustainable Nutrition, Forum for the Future



Publishing a benchmark amidst the COVID-19 pandemic

The COVID-19 pandemic has challenged the resilience of the food system at a scale never seen before. According to the World Bank, numerous countries are experiencing high food price inflation at the retail level, reflecting labour shortages, a sharp rise in the price of fertilizer, currency devaluations, and other factors, all impacting and exacerbating existing inequalities. With supply chains interrupted and food prices surging the food and agriculture industry was not only highly impacted, but is also playing a key role in mitigating the impact and finding new ways to make progress on critical challenges and drive actions towards achieving the SDGs.

Current trends in global food systems - such as intensive farming, long supply chains, loss of biodiversity and unhealthy consumption patterns - not only exacerbated the crisis but have played a part in contributing to it in the first place. The pandemic underscores now more than ever not only the urgency for a global food systems transformation, but also the holistic nature of it. The interplay of the three dimensions of the Food and Agriculture Benchmark - environment, nutrition and social inclusion - became ever more apparent during the pandemic, as companies face challenges and must take action on a broad range of interlocking issues. New ways of producing, processing, selling and consuming food are needed.

In response, food and agriculture companies have had to find new levels of resilience to ensure goods continued to move along the supply chain, shelves remained stocked, employees and customers were kept safe as well as to increase environmental and social protection. For companies these measures should not just be a question of the short term to ensure business continuity, but an opportunity to reform operations and build long-term resiliency across the value chain. It was amidst this pandemic, that the global society came together during the United Nations Food Systems Summit in September 2021, to start a call to action and discuss a pathway toward transformational change in our food systems. It was the same week in which the benchmark was published, ranking and assessing companies on their performance to achieving the SDGs, while operating in unprecedented circumstances.

While not part of the benchmark assessment, a substantial number of companies in scope reported on impacts and activities in response to the pandemic. According to the [IFBA](#), company responses included modifying operations to provide essential health equipment, supporting small businesses along supply chains, and protecting the health and wellbeing of workers. In addition, several companies pledged millions to work with local stakeholders to distribute essential items to hard-hit communities and vulnerable groups. However, only few companies were committed to ensuring affordability and accessibility of healthy foods during the pandemic according to [ATNI's](#) latest report.



The food and agriculture value chain

The 350 companies assessed in the benchmark span the entirety of the food and agriculture value chain. The ranking encompasses companies active in the agricultural input, agricultural products and commodities, animal protein, processing and manufacturing, retail and food service segments. Companies were ranked in a total benchmark ranking, as well as through segment rankings, ensuring peer-to-peer comparison and an understanding of the role of different segments in the food system.



Of the 350 companies in scope, only 11 companies⁹ scored over 50/100 in their assessment. Although there is clearly room for improvement by all, interestingly, one company from five of the six value-chain segments was represented across the top performers in the benchmark. The only segment that did not score over 50/100 are the restaurants & food service companies. This demonstrates that leadership and positive change can and must come from every part of the value chain, supporting the WBA's guiding principle that a company of a certain size and influence can and must contribute holistically across the food systems transformation agenda.

Agricultural inputs

 Positioned at the beginning of the food value chain, companies in the agricultural inputs segment, including fertilizer, seeds and agrochemicals and machinery, have a decisive impact on what farmers, big and small, produce, and eventually what food products end up on our daily dinner plates. Companies in this segment are less known by consumers, with their predominantly business-to-farmers business models. However, their impact on all areas is significant. Fertilisers, pesticides and seeds have enormously improved the quality and yields of crop and food production while dealing with threats including pest pressure and climatic changes. At the same time, the use of chemicals has environmental impacts and effects on human health. While noting a more indirect impact on nutrition, through improving access to agricultural inputs as well as partnerships in- and outside the sector, companies in this segment are key to enhancing global food security. Through supply chains, that span across continents and that include smallholder farmers for some, companies in this segment also rely heavily on a vast workforce, confirming their responsibility to protect workers' rights.

Performance

While the majority of companies in this sector have embedded sustainability objectives in their business strategy, there remain opportunities for progress across all measurement areas.

⁹ Unilever, Nestle, Danone, OCP, Anheuser-Busch InBev, PepsiCo, Tesco, Fonterra, Diageo, Firmenich, Kellogg's



For instance, a significant number of input companies do not report on initiatives to improve soil health and agrobiodiversity and reduce water use. Similarly, disclosure around social inclusion topics is fairly low, where most companies fall short of providing sufficient commitments towards eliminating child and forced labour. As for their contribution to nutrition and food security, many companies have recognised their role. However, gaps remain in terms of disclosing data on the impact and reach of activities focused on increasing the production and diversity of nutrient-dense products.

Among businesses involved in the production and distribution of agricultural inputs, the impact of the **machinery** industry on improving nutrition is even less direct. While their activities have a limited influence on improving the nutritional value of crops, leaders in this industry have set addressing food security and malnutrition as a priority. Through innovative farming solutions, distribution of equipment and trainings on farming techniques, machinery companies support farmers productivity and food security.

Agricultural products and commodities



The agricultural products and commodities segment dominates the production, trade and sourcing of the most important global food commodities and ingredients. The 142 companies included in this segment are active in multiple industries. This includes those companies that globally dominate in the production of key commodities, notably cocoa, grains, oilseeds, fruits, vegetables, coffee, tea, or sugar cane and those that source and trade large volumes of these commodities to food processing, retail or consumer facing companies. The segment also includes companies that manufacture and sell of animal feed products and those that produce and sell ingredients to food or beverage processing companies. Through their farms and plantations as well as their sourcing activities, also in developing countries, the companies in the segment have substantial and direct impact on communities, value chain partners and the environment. Through their strategic position and decisive influence on commodity markets, their impact on global nutrition and food security cannot be dismissed either. Moreover, ingredient companies can improve nutrition by leveraging their interconnected position in the value chain and working with business partners.

Performance

While around two-thirds of companies in this segment report on reducing their direct and indirect (scope 1 and 2) emissions, there is a general lack of reporting across other key environmental issues. For example, among the worst performing indicators are water use and soil health and agrobiodiversity. Similarly, many of the agricultural products and commodities companies are yet to meet the minimum requirements to eliminate forced labour and protect the health and safety of vulnerable groups in their operations and supply chains. Nonetheless, over half of the companies are demonstrating commitments towards supporting farmer productivity and resilience. Some companies with activities in commodities with high levels of scrutiny are found to perform comparatively better in the social inclusion area. This is the case of companies involved in the trading of **cocoa**. Companies in this sector disclose more information about their policies and monitoring systems for human rights risks related to child labour. Similarly, **palm oil** companies have higher level of disclosure regarding land rights issues.

With regards to nutrition, businesses active in the agricultural commodities segment have the highest disclosure regarding food safety standards. Though the majority of the companies in this segment have a long way to go in terms of disclosing information about how they are addressing food security issues, the **food ingredients** industry is one of the best performing in this field. Positioned in the



middle between growers and food processors, these companies play a crucial role in tackling malnutrition. Fortification of staple foods like rice and maize with essential vitamins and micronutrient is an example of a key focus area for these companies.

The agricultural commodities and products value chain segment also includes companies involved in the growing, sourcing and trading of **fruit and vegetables**. These products are deemed as inherently healthy and essential to achieve healthy diets. Even though their business contributes by its nature to supporting the availability of healthy foods, most of the companies in the fresh produce sector are yet to disclose strategies to increase the accessibility of these products, especially targeting vulnerable groups. Compared to other sectors, the fruit and vegetable industry demonstrates low level of disclosure in the social inclusion area too.

Animal proteins



Animal production is responsible for 14.5% of global greenhouse gas [emissions](#). Beef and cattle milk are responsible for the most emissions, respectively, contributing 41 percent and 20 percent of the sector's overall GHG [outputs](#). Globally, agriculture accounts for 92% of the global freshwater footprint and 29% of the water in agriculture is directly or indirectly used for [animal production](#). Despite the high environmental footprint, animal-based products like meat, poultry and dairy are important sources of protein for a balanced diet. This is particularly relevant for population groups with nutrient deficiencies. Animal protein companies, including seafood, dairy, poultry and livestock, play a role in providing sustainable products with improved nutritional profile and making sure they are accessible to consumers living in countries and areas affected by malnutrition issues.

Performance

With few companies positioned at the top of the benchmark ranking, this value chain segment shows a weak overall performance, attributable to a widespread lack of disclosure across all the measurement areas. This is particularly true for **livestock** and **poultry** companies, lagging behind their segment peers from the **dairy** and **seafood** industries.

The majority of the 92 companies in this segment demonstrate a lack of disclosure on critical topics to the animal protein industry: animal welfare, antibiotic use, protection of natural terrestrial habitats and water use. Although some companies demonstrate qualitative efforts to diversify proteins within their product portfolios, few accompany these with time-bound targets and strategies for portfolio diversification. Dairy companies show leadership in the nutrition ranking, thanks to their reporting on how they are improving the nutritional quality of products and addressing the accessibility of healthy products in developing countries. Nevertheless, this is not the case for livestock and poultry companies, which demonstrate poor disclosure around nutrition topics. As for social inclusion, only a limited number of companies in the segment have policies in place to eliminate forced labour and protect the health and safety of vulnerable workers groups. Furthermore, most of the companies in this segment do not disclose how they address land rights issues in their supply chains.



Food and beverage manufacturers/processors



Companies in this segment are active in manufacturing any type of consumer food and beverage products, such as confectionary, dairy, meat, soft drinks, alcohol, etc. The role of these companies entails processing raw materials, packaging and distributing final consumer products that usually end up on the shelves of grocery stores and other points of sales accessible to all consumers. Through their global supply chains, this sector sits at the heart of the food system, on the one hand influencing producers of agricultural products through contractual requirements and conditions and on the other hand influencing consumers directly through their products. Their responsibility, therefore, lies not only in assuring sourcing practices in respect of the environment and fair working conditions for farmers and supply chain workers, but also improving nutritional outcomes through nutritious foods and drinks. Consumer products significantly impact global consumers diets and the production and inappropriate advertising of ultra-processed foods high in sugar, salt and saturated fat represent barriers to the achievement of healthy diets.

Performance

Positioned at the top end of the overall ranking, leading companies in this segment are demonstrating a holistic understanding of their role within food system transformation. On average, many food and beverage processors have taken action to reduce plastic use and food loss waste, but they underperform on other key environmental issues. For example, only six companies¹⁰ set holistic targets for eliminating deforestation in their supply chain. Similarly, only nine companies¹¹ report such an approach to improving soil health and agrobiodiversity. In social inclusion, benchmark-wide findings on child and forced labour are also reflected in this segment, with most companies lacking significant disclosure on efforts to prevent these. In nutrition, less than half of the segment demonstrates that they are collectively addressing both the key topics of increasing the availability and the accessibility and affordability of healthier consumer products. Furthermore, the majority also fails to provide examples of marketing initiatives to promote healthy options. Among beverages manufacturers, companies producing **alcoholic beverages** have been assessed in relation to their role in promoting responsible drinking. Being one of the most regulated industries in the world, alcohol companies are the only ones disclosing information on their marketing budget spent of promoting responsible practices.



¹⁰ Austevoll Seafood, Fonterra, Mowi, Nestle, The Hershey Company, Unilever.

¹¹ Danone, PepsiCo, Bonduelle, Campbell's, Fonterra, General Mills, Keurig Dr Pepper, Nestlé, The Coca-Cola Company.



Food retailers



Food retail companies sell food and beverages products to consumers through their retail outlets. Thanks to their position at very end of the food supply chain, retailers have a substantial influence on producers, manufacturers and consumers. Retail companies do not only buy products from food and drink processors, but they are also manufacturers of their own branded products, giving them a double role as influencers of production and manufacturing practices across the globe. At the same time, they strongly control consumer food choices through the food they offer, how it is displayed and promoted. This comes with a great responsibility for consumer behaviour, food intake and people's health.

Performance

In environment, around 80% of companies disclose commitments and action towards reducing food loss and waste and plastic use and packaging waste, with many going further by reporting progress against time bound targets. In nutrition, just over half of retail companies reports on food safety standards and labelling systems to guide consumer choices. Among consumer-facing companies, some retailers provide leading examples of initiatives and campaigns to promote healthy options and increase the consumption of fruit and vegetables. However, only few retailers (Norges Gruppen, Sainsbury's, Tesco, Wm Morrison Supermarkets) have set global target to increase the sales of healthy products. Social inclusion is the worst-performing measurement area, with few companies demonstrating detailed action on eliminating child and forced labour. Moreover, most companies lack disclosure on the implementation of due diligence systems. Nonetheless, around half of companies in scope report on their commitments towards improving farmer and fisher productivity and resilience.



Restaurants and food service

Notwithstanding the severe impact of the COVID-19 pandemic, the restaurant and food service sector has seen a steady growth over the past decade. Its contribution through providing meals eaten out of home as well as home food delivery has significantly increased and it has therefore gained a





substantial influence on the health of customers. With their consumer-facing focus, restaurants and food service companies are expected to offering and promoting balanced and nutritious menu options. Through their supply chains, spanning global and local suppliers, they also have decisive power over production and manufacturing of key commodities and menu ingredients. On top of their consumer-facing role, they influence the conditions of workers across the globe.

Performance

While disclosing sustainability strategies, companies in this segment currently fail to build on these by demonstrating concrete actions in addressing key issues, particularly in the nutrition dimension. With their powerful consumer-facing position, businesses in this segment, in particular restaurant chains, have a big responsibility regarding inappropriate advertising of unhealthy offering. Only two companies (McDonald's and Yum! Brands) have committed to responsibly marketing their products and menus to children. Moreover, more than the majority fall short of showing improvement in the nutritional quality of their menus. Compared to the other consumer-facing sectors, this segment has the least number of companies reporting on the reduction of sugar, sodium and saturated fat.

Companies in this segment have taken steps to report on key environmental issues such as plastic use and food loss and waste. Many of the companies disclose reductions on scope 1 and 2 greenhouse gas emissions, but fewer have set commitments to reduce scope 3 emissions. Moreover, there is a general lack of disclosure on efforts to diversify their protein offerings. While directly employing over three million people globally, companies in this segment currently lack disclosure on public commitments towards respecting human rights and policies toward regulating working hours or paying a living wage. Only a few companies have a due diligence process to identify and assess human rights risks in their supply chains.

The value chain approach in perspective

The benchmark methodology serves as a road map to guide sectors through the transformation and allows companies in and outside our scope, as well as other organisations, to apply the methodology. The 2021 benchmark assessed companies using pre-defined indicators across the measurement areas. [Scoring guidelines](#) were built based on the elements laid out in the methodology and have been shared as part of the benchmark publication.

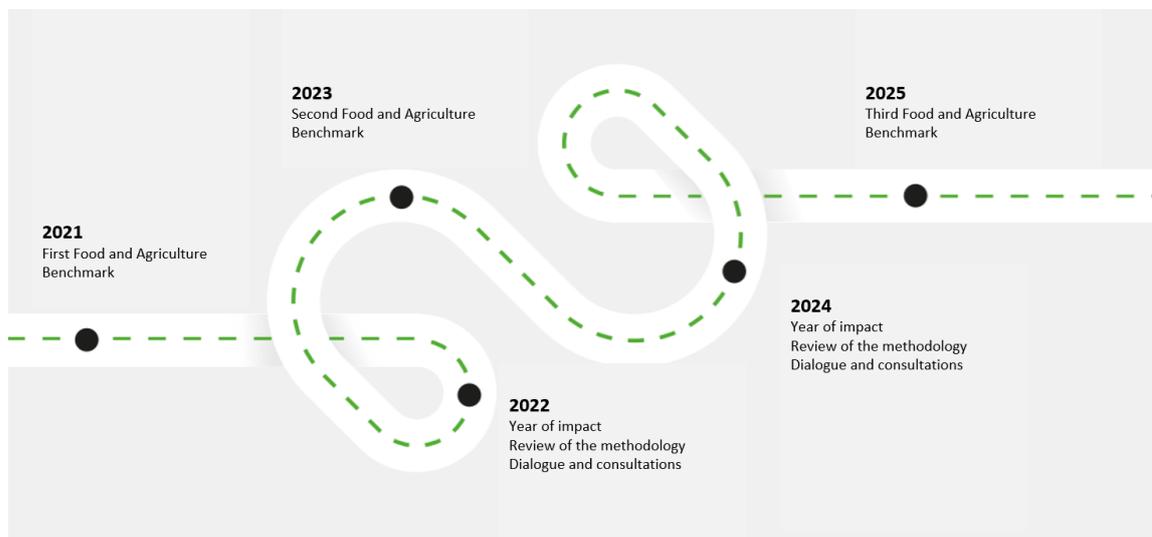
The methodology was designed to be applied to all six food value chain segments. By taking a holistic approach however, companies have only been assessed on indicators that are relevant to their business model. Further, the benchmark in some cases differentiates between companies in the upstream or downstream ends of the chain. Depending on their business activities, companies were placed in one or more of the benchmark's six segments. The first three segments (agricultural inputs, agricultural products and commodities, animal protein) are considered upstream and the last three (food and beverage processing and manufacturing, food retailers and restaurants and food service) downstream. For some indicators in the environment and nutrition measurement areas, this positioning impacted corporate expectations and hence company scoring, reflecting a difference in direct versus indirect impact of companies on certain topics. Such differentiation was not applied in the governance and strategy and social inclusion measurement areas, assuming similar responsibilities across companies in all segments.



What's next?

The Food and Agriculture Benchmark will be published every other year. A year of research is followed by a year of impact, during which the methodology will be reviewed and activities will be set up to further disseminate benchmark results and drive action. We work in accordance with a five-year timeline, providing an overview of milestones ahead.

The benchmark five-year timeline



2022: Year of impact

During our first year of impact, we will continue to disseminate Benchmark outcomes with allies, companies and other stakeholders. In doing so, we will work with existing coalitions, relevant actors and initiatives to further push the food systems agenda. This includes collaborating with the G7 secretariat on the **G7 Sustainable Supply Chain Initiative**, and with the IKEA Foundation on our **Regenerative Agriculture Supply Chain Project**. We will continue to collaborate with partners from the **Zero Hunger Private Sector Pledge**, to support corporate action to end hunger and nourish the future by 2030. Furthermore, our **Collective Impact Coalition on Regenerative Agriculture**, brings together key stakeholders to take action on this catalytic theme. We will invite companies to WBA's Community of Practice peer to peer learning sessions, focussing on different benchmark topics, ranging from workforce nutrition to regenerative agriculture and more.

Following the publication of our **Food Industry Benchmarking Toolkit** in 2021, we will support national and regional initiatives that aim to develop food systems benchmarks, on the basis of our methodology. Finally, building on learnings from the first benchmark assessment, the **methodology will be reviewed**, guided by input from all stakeholders, while ensuring comparability with the first benchmark iteration. A final version of the methodology for the 2023 Food and Agriculture Benchmark will be shared before the end of the year.





WBA’s Regenerative Agriculture Supply Chain Project

In partnership with the IKEA Foundation, WBA is undertaking a project to sharpen our understanding of the impact of keystone companies through their supply chains in developing countries. With a thematic focus on principles of regenerative agriculture across the commodities of cocoa, palm oil and sugar, the project has two major aims. Firstly, to evaluate the relationship between benchmark performance and measurable supply chain impact; and secondly, to assess the influencing factors that determine this impact. In order to explore this, we will examine how keystone companies structure their regional supply chains, how and where they work with small producers, small and medium-sized enterprises (SMEs), larger regional companies and intermediaries, the degree to which they have leverage and influence over their supply chains and partners, and how they use this to effect transformational change within the food system.

WBA has identified 25 of the 350 keystone companies as sector leaders thanks to the high degree of transparency, and therefore accountability, in relation to their supply chain and sourcing activities. WBA will collect data and insights from both keystone companies and a selection of their identified key suppliers, seeking to deepen our understanding of how companies are promoting regenerative agriculture in their supply chains, and also the extent to which these key suppliers are undertaking their own efforts to address these topics.

We will publish our first findings in the second half of 2022. The report will identify strengths, weaknesses and bottlenecks across the activities of the 25 companies and highlight where improvements can be realized. As well as informing how we assess food companies, this project has wider significance for WBA as supply chain impact is an increasingly important consideration within other systems. The conclusions of this project are intended to influence methodology development and review across all seven systems that WBA is working in.

G7 Sustainable Supply Chain Initiative

On December 16 2021, the G7 launched the Sustainable Supply Chain Initiative convening global food and agriculture companies to pledge to improve the environmental, social and nutritional impact of their operations and supply chains. Accountability is central to this initiative, and as such the 22



companies¹² pledge improvement as measured by the World Benchmarking Alliance's Food and Agriculture Benchmark. Collectively, these companies earn over 550 billion USD in annual global revenue, employ over 2 million people directly with millions more throughout their supply chains.

In Q4 2022 WBA will publish a collective analysis of these companies, with results shared during a high-level CEO-Ministerial forum. Until then, the German government, holding the presidency this year, are actively taking this initiative forward. A series of company-government discussions will take place to align and prepare business asks and government expectations, in terms of support and incentives on key issues with respect to existing and future legislative steps that define responsible business behaviour and how action will be enforced.

Much in line with the holistic approach of the Food and Agriculture Benchmark, is the broad representation of companies involved. Companies represent nearly all G7 member states, span industries across the value chain, include all ownership-structure types and cover benchmark rankings from #1 to #245. However, the 22 companies on average outperformed companies not part of the pledge by a factor of 1.9. With an average score of 34.4/100 compared to a benchmark average score of 18.6/100, the group of G7 signatories scored nearly twice as high.

“Food can help solve many of the challenges we see today, from climate change to malnutrition. But no company can transform the food system alone: we need innovative collaboration with government leaders, so that we build a bridge between public policy and business practice. That’s what this initiative is about, and Danone is honoured to contribute to it. Together, we can understand where the gaps are greatest, and how we might work together to fill them by driving more sustainable supply chains and operations in our companies. Tracking collective progress is crucial, which is why we welcome collaboration with the World Benchmarking Alliance.”

Laurent Sacchi, Executive Vice President and General Secretary, Danone

Zero Hunger Private Sector Pledge

The COVID-19 pandemic greatly impacted many years of progress in reducing hunger globally. In July 2021, the United Nations announced that 118 million more people were affected by hunger in 2020, taking the number of people with no access to food up to 768 million. The Zero Hunger Private Sector Pledge emerged from the UN Food Systems Summit (UNFSS) Action Track 1, aiming to ensure access to safe and nutritious food for all. It invites companies to step in to increase efforts toward achieving zero hunger by 2030. Multiple organisations have formed a coalition to develop and implement the pledge, including the Food and Agriculture Organization (FAO), the Global Alliance for Improved Nutrition (GAIN), Grow Africa, Grow Asia, the International Institute for Sustainable Development (IISD), the World Business Council for Sustainable Development (WBCSD) and the World Food Programme (WFP). WBA has been involved to help the development of a format for monitoring and accountability.

¹² 2 Sisters Food Group, Associated British Foods, BASF SE, Bayer AG, Compass, Danone, Diageo, ED&F Man, Ingredion, InVivo, Kraft Heinz, McCain Foods, McCormick, Meiji Holdings Co., Ltd., Morrisons, NH Foods, PHW Group (Wiesenhof), Sainsbury's, SEVEN & I HLDGS. Co., Ltd., Sodexo, Tate & Lyle, Unilever. (Bayer is partially using WBA metrics and NH Foods will use other indices to track progress)



“WBCSD is a fervent supporter of the work of WBA which helps companies set up and meet increasingly ambitious goals across nutrition and sustainability, and get recognition for their progress. We highly value our collaboration – which span in 2021 from joint sessions in key events to partnering on zero hunger.”

Emeline Fellus, Director FReSH, WBCSD

Companies signing the pledge have committed to align their investment and spending with one or more of the ten high impact investment areas outlined by the [Ceres2030: Sustainable Solutions to End Hunger report](#). Actions are outlined across three broad areas: (1) investments to empower the excluded, for example by strengthening farmer organizations and social protection; (2) investments on the farm (e.g. irrigation system, access to finance, infrastructure, R&D); (3) and investments for food on the move (for example, infrastructure, storage systems and cold chains for agricultural commodities).

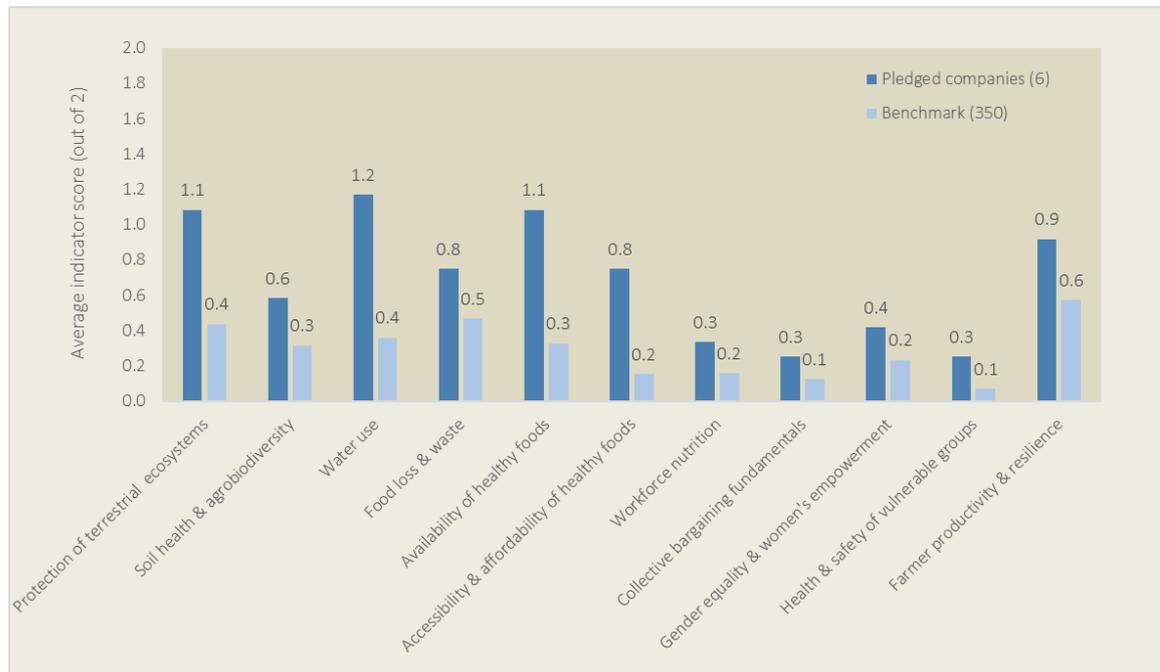
Alignment with the Benchmark

In line with WBA’s mission of increasing accountability of the private sector in achieving the SDGs, the Food and Agriculture Benchmark measurement areas in part align with the actions recommended by the Zero Hunger Private Sector Pledge. The ten high impact investment areas as outlined in Ceres2030 correspond with 11 benchmark indicators. The benchmark thus provides insights on how companies are implementing programs to improve the livelihoods of smallholder farmers, especially in low- and middle-income countries. Examples of initiatives include training programs and financial assistance to adopt regenerative agricultural practices, engaging with suppliers in water-stressed areas, activities to improve the nutrition and health and safety of farmers.

The Food and Agriculture Benchmark findings show that over half of the 350 companies assessed demonstrate evidence of investing in programs and interventions focused on supporting the productivity of smallholder farmers through their supply chains. However, the private sector is yet to demonstrate significant progress in extending comprehensive social protection systems to small food producers affected by particularly difficult working conditions. Moreover, while recognizing their role in addressing food security, businesses are encouraged to show more concrete action and tailored interventions to increase access to safe and nutritious food.



FIGURE 8: PERFORMANCE OF ZERO HUNGER PRIVATE SECTOR PLEDGE COMPANIES COMPARED TO THE BENCHMARK



Since its launch in September 2021, 43 companies have pledged USD 391 million in 47 countries as part of the Zero Hunger Private Sector Pledge. Six of these companies, Ajinomoto, Arla, BASF, JBS, PepsiCo and Unilever, are in scope of the Food and Agriculture Benchmark. Collectively they have pledged over USD 160 million. By doing so they have committed to take leadership to support smallholder farmers and implement sustainable production practices across their global supply chains. Comparing the results of these six companies to the benchmark average shows, that these companies are outperforming the average across all of the relevant benchmark indicators. Nonetheless, there is a clear need for the entire private sector to step up its efforts and to mobilize resources and commit to ending hunger by 2030. Through the involvement with the Zero Hunger Private Sector Pledge, we aim to drive further and measurable action across all companies in scope of the benchmark.



Food Industry Benchmarking Toolkit

To transform the food industry, we need to speak a common language and have aligned expectations and reporting. A shared methodology and consistent set of metrics helps to make sure that businesses are being assessed in a similar way. Therefore, WBA and [the Food Foundation](#) based on the methodology of the Food and Agriculture Benchmark have developed a [toolkit](#), allowing other organisations to apply and align with global initiatives for their own national benchmarking activities. Alignment supports a common understanding of what good looks like for the food and agriculture industry both at a national and global level.

A national benchmark for India is already underway. The [Food Future Foundation](#) and [FACE](#), with support from [ECube](#), are piloting a national food systems benchmark by using the toolkit and collaborating closely with an international benchmarking coalition including organisations like ATNI, and GAIN. We encourage and will support more national benchmarking initiatives that follow.

Collective Impact Coalition (CIC) on regenerative agriculture

Regenerative agriculture has been hailed as a potential solution (among many) to restore and transform food systems. While it is grounded in the principle of moving beyond sustainability, the approach is not very far from already existing practices such as agroecology and circular farming. While regenerative agriculture is yet to have a well-agreed definition or set of principles, most users of the approach focus on its positive outcomes through improved soil health and biodiversity, resilient ecosystems, and supporting farmer livelihoods, among others. Regenerative agriculture is increasingly being referenced and prioritised in corporate commitments & strategies. But with science and corporate reporting frameworks still developing, what does good look like and how can progress be measured?

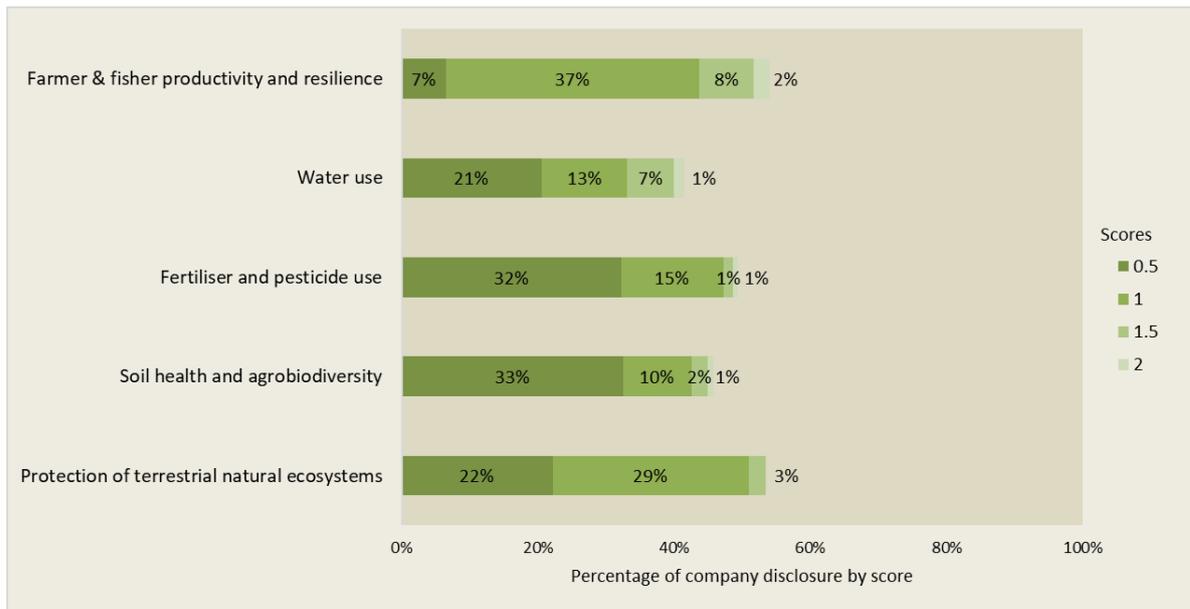
The Food and Agriculture Benchmark gives insight into the policies and performance of the 350 most influential companies and how regenerative principles are being translated into company action. Company performance on regenerative agriculture is measured through a number of indicators such as soil health and agrobiodiversity, optimizing use of fertiliser and pesticides, promoting farmer productivity and resilience, etc. Around 45% of companies in scope provided evidence of contributing towards improving soil health and increasing agrobiodiversity. Of these, only 11 companies¹³ have evidenced their commitments concretely by providing quantitative data or setting company-wide targets specifically towards improving soil health and agrobiodiversity.

Given that the global food production system exceeds several of our terrestrial planetary boundaries, there is an urgent need to transform the system through production practices that regenerate the environment in order to continue feeding the growing population. As such, WBA is developing a **Collective Impact Coalitions (CICs)** on regenerative agriculture. A CIC is a time-bound multistakeholder coalition, bringing together allies and partners around topics that are catalytic to system change, to coordinate collective action. The aim is to motivate companies to make the transition towards regenerative agriculture, using WBA's benchmark to track progress and embed accountability. The ambition of the CIC is in line with collective action plans such [Regen10](#) - launched at COP26 – which aims for over 50% of food to be produced in a way that drives regenerative outcomes by 2030.

¹³ Danone, Kellogg's, PepsiCo, Bonduelle, Campbell's, Fonterra, General Mills, Keurig Dr Pepper, Nestlé, Syngenta Group, The Coca-Cola Company.



FIGURE 9: COMPANY PERFORMANCE ON REGENERATIVE AGRICULTURE INDICATORS



Ahead of the next benchmark publication, CIC members will align on existing efforts, enable learnings, and take action to influence company behaviour change. CIC actions will take place in two workstreams – those which directly target companies to drive improvements (such as through investor engagement, capacity-building and CSO advocacy) and those that collaboratively enable system change (such as through agenda setting, policy advocacy and research).

In February 2022, over 30 allies and partners came together for the first convening to learn more about our regenerative agriculture CIC. The next step is for a smaller core group of CIC members to co-create and prioritise the actions and communications plan. To find out how to get involved reach out to Charlotte Reeves, Food System Engagement Manager, or to stay informed [we welcome organisations to join our Alliance](#).

Community of Practice

WBA is keen to engage with companies between the research cycles to incentivise improvement of performance. In Community of Practice sessions we focus on a specific benchmark topic and invite companies to share their learnings, challenges and journey towards realizing impact. We do this in collaboration with one or more of our allies, who - if requested - can follow up directly with further technical support and strategy implementation.

In the first half of 2022 we are focussing on regenerative agriculture and workforce nutrition, while in the second part of the year we will support dialogues on nutrition and living wage.

Workforce nutrition

Approximately 58% of the world’s population will spend a third of their time at work during their adult life. As such, employers have a responsibility to help tackle malnutrition. Companies can promote nutrition at work through a set of interventions to improve awareness about, access to and supply of healthy foods. The 2021 Food and Agriculture Benchmark reveals that 25% of the 350 companies in



scope have at least one workforce nutrition programme in place. The Workforce Nutrition Alliance distinguishes four programme categories: healthy food at work, nutrition education, nutrition-focused health checks and breastfeeding support. With a collective reach of 23.5 million employees, the impact of providing healthy food offerings at work is immense and the topic is under full control of business.

WBA's data highlights the room for improvement for companies, and together with the Workforce Nutrition Alliance, we have mobilised a group of companies keen to learn more in a **Community of Practice**. The Workforce Nutrition Alliance provide the technical tools and expertise for the companies to build a workforce nutrition strategy and implement programs across their operations and supply chains. Together, this fruitful collaboration, enables companies to make change by showing them the 'how'.

In addition, we have worked together to put workforce nutrition on the agenda of other stakeholders, such as policymakers during the Tokyo Nutrition for Growth Summit 2021, and investors through providing educational sessions. We want to continue this engagement model with other allies on other issues, so please reach out if you have any ideas.

Methodology review

WBA undergoes a methodology review every other year to ensure our methodologies continue to be relevant and aligned with latest science and stakeholder expectations. We also continuously strive for alignment with other relevant benchmarks and frameworks to make sure what we do is coherent and complementary.

After a three-year development process of the methodology, the research process and outcomes of the first benchmark in 2021 have shown that the methodology included the key topics of food systems transformation. Seeing companies from five out of the six value-chain segments represented in the top 10, confirms the relevance and importance of its value-chain approach. Leadership is necessary and possible for companies across the entire food and agricultural system.

These learnings underline the robustness and completeness of the methodology. However, to further sharpen indicators and better highlight corporate expectations and best practices, WBA will make relevant updates to the methodology by incorporating both internal learnings as well as external feedback from companies and other stakeholders following the first publication, while ensuring sufficient comparability with the scores of the first benchmark.

At the end of spring 2022, WBA will publicly share an updated version of the methodology with companies in scope as well as all other interested stakeholders to inform about the suggested changes and invite feedback. The finalised methodology for the second benchmark iteration in 2023 will be published in Q4 2022.

2023: 2nd iteration of the Food and Agriculture Benchmark

In 2023, the 350 food and agriculture companies will be assessed for the second time and benchmark results will be published at the end of the year. The second iteration of the benchmark will be able to show progress of the private sector on food systems transformation for key segments and industries as well as at a company level. Serving as an accountability tool for the private sector, the benchmark can ideally support and feed into the stocktaking event proposed for 2023, following the UNFSS.



WBA's Nature Benchmark

In 2022, WBA will begin ranking companies from over 20 industries on their efforts to protect and restore ecosystems and ensure biodiversity conservation, resulting in a Nature Benchmark. This is one of the seven systems that WBA covers and because the issues are affected by so many industries, it will be the largest benchmark with 1,000 companies.

Feedback from stakeholders has clearly shown that food companies are absolutely fundamental to nature. No assessment of the private sector's impact on nature would be complete if it ignored food businesses. The food and agriculture value chain relies heavily on ecosystems. To grow the agricultural crops required for the food we eat, food and agriculture companies rely on healthy, fertile soil, as well as natural climate regulators, such as predictable amounts of rain and sun, and natural pollinators such as birds and bees. Similarly, the fishing sector depends heavily on healthy aquatic ecosystems, including healthy coral reefs and stable levels of diverse fish stocks. However, the food and agriculture sector is one of the largest drivers of biodiversity loss and change globally. This includes being the largest consumer of freshwater as well as a contributor to land use change to support agricultural crops and livestock. Indeed, the largest negative impact is through farming and fishing activities which directly involves the conversion and exploitation of natural ecosystems. Ultimately, driving positive change in the sector requires companies to take an integrated approach to their business activities, from producing food which requires smaller inputs at the farm level, to presenting consumers with food products which have smaller environmental footprints, thereby shifting towards more sustainable food systems.

These interlinkages between the food and nature systems means WBA needs to adopt a connected approach to holding keystone companies to account. For this reason, alongside the Food and Agriculture Benchmark in 2023, the 350 food and agriculture companies will also be assessed as part of this first Nature Benchmark. Feedback on the [draft methodology for the Nature Benchmark](#) is currently being sought. Our priority is to ensure the research processes as well as engagement with companies and presentation of results for both benchmarks will be closely aligned and minimises unnecessary complexity to everyone involved. We are currently scoping out exactly what those processes look like and will share more details – including with the companies in scope of the benchmarks – in due course.





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WORLD BENCHMARKING ALLIANCE

Rhijnspoorplein 10-38, 1018 TX Amsterdam The Netherlands. www.worldbenchmarkingalliance.org