

Transparency Of global food brands

what they disclose about how they source
from the global south

Oxford Food Group 16th May 2013

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OXFAM

Agenda

1. Why transparency matters

2. What do they disclose

3. How we're trying to get them to disclose more



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1. Why transparency matters



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Why transparency matters

Society's interest – information is power

- Producers – certainty and choice in markets
- Communities – participate in decisions (consent, accountability, remedy)
- Workers – for leverage, who can they hold to account?
- Consumers can hold brands to account

Commercial and investor interest

- Indicative of a company managing risks
- Indicative of a company engaged with supply issues
- Future proofing – preparing for a world with more disclosure
- What do they have to hide anyway?



2. What does big food disclose?



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Scorecard

- 276 indicators across 7 themes – only public data
- 4 categories of indicators per theme
 - Awareness
 - Knowledge
 - Commitment
 - Supply chain management
- Deep engagement with companies
 - To confirm data
 - To develop indicators
- Full disclosure
- 3 year project
 - Up to monthly updates of scores
 - Annual updates of indicators
- Campaign: Critical friend + race to the top

BEHIND THE BRANDS: FOOD COMPANIES SCORECARD

 8-10 Good

 6-7 Fair

 4-5 Some progress

 2-3 Poor

 0-1 Very poor

Rank	Company	Score	Land	Women	Farmers	Workers	Climate	Transparency	Water	Total
1	Nestlé	54%	3	4	5	6	6	7	7	38/70
2	Unilever	49%	3	2	7	6	5	5	6	34/70
3	Coca-Cola	41%	1	5	3	6	5	5	4	29/70
4	PEPSICO	31%	2	2	3	3	3	4	5	22/70
5	MARS	30%	1	1	5	4	3	5	2	21/70
=6	DANONE	29%	1	1	1	3	3	6	5	20/70
=6	Mondelēz International	29%	1	2	4	4	3	4	2	20/70
=8	GENERAL MILLS	23%	1	2	1	3	2	2	5	16/70
=8	Kellogg's	23%	1	2	1	2	2	4	4	16/70
10	Associated British Foods plc	19%	1	1	2	3	1	3	2	13/70

Transparency			Nestle				
Code		Weight	Answers	Subscore	Score	Refer	
T2	Disclosure of total volumes	100.00			43.61		
T2.1	Does the company disclose total volumes sourced for the following 8 commodities: palm oil, sugar cane, soy, cocoa, tropical fruits, maize, rice, and dairy? This can also be presented as percentage of global supply.	33.33		12.50			
	palm oil	4.17	Yes	4.17		http://news.bbc.co.uk/1/01/shared/	
	sugar cane	4.17	No	0.00		Nestlé, Creating Shared Value Report Library/Documents/Library/Documents/CSV-rep	
	soy	4.17	No	0.00			
	cocoa	4.17	Yes	4.17		http://www.nestle.ie/media/newsfeat sustainable-ci	
	tropical fruits (bananas, pineapples, oranges and mangoes)	4.17	No	0.00			
	rice	4.17	No	0.00			
	maize	4.17	No	0.00			
	dairy	4.17	Yes	4.17		Nestlé, Creating Shared	
T2.2	Does the company disclose total volumes sourced for the following 6 commodities: coffee, tea, wheat, potatoes, tomatoes and water where applicable? This can also be presented as percentage of global supply.	33.33		11.11			
	coffee	5.56	Yes	5.56		Nestlé, Creating Shared V http://www.nestle.co.uk/CSV/RESPONSI Pages/Co	

ContentsWorkersGenderClimate ChangeWaterLandFarmersTransparencyRelease notes

2	Transparency					
3						
4			Nestle			
5						
6	Code		Weight	Answers	Subscore	Score
52		Disclosure of sourcing origin	50.00		32.14	
53	T3.2	Does the company disclose source of origin (at least two countries if applicable from Non-OECD countries, but including Mexico) for sourced commodities (where applicable for the 14 key commodities)?				
54		palm oil	3.57	Yes	3.57	Nestlé, Creating S
55		sugar cane	3.57	Yes	3.57	Nestlé, Creating
56		soy	3.57	Yes	3.57	Nestlé, Creating
57		cocoa	3.57	Yes	3.57	Nestlé, Nestlé Cocoa Plan, Sourn Summary Report 2011, March 20
58		coffee	3.57	Yes	3.57	Nestlé, Creating
59		tea	3.57	No	0.00	
60		tropical fruits (bananas, pineapples, oranges and mangoes)	3.57	No	0.00	
						Nestlé website, CSV, Creating S Improvement Project – C

Workers

Associated British Foods

Code		Weight	Answers	Subscore	Score	Reference
W1.3	Partnerships with Suppliers	33.33	-	0.00	0.00	
W1.3.1	Does the company have a project to address at least one of the following issues: FOA, LW, temporary employment, migrant labor, child labor, bonded labor, or grievance	16.67	No	0.00		
W1.3.2	Does the project engage a trade union?	16.67	No	0.00		
W2	Knowledge and Disclosure of Company Impacts	100.00			5.00	
W2.1	Does the company track and report the number of workers in its supply chains?	20.00	Partial	5.00	5.00	http://www.illovosugar.co.za/Libraries/Sustainability
W2.2	Does the company track and report on the percentage of agricultural workers in its supply chain with No fixed contracts?	20.00	No	0.00	0.00	
W2.3	Does the company track and report on the percentage of workers that are covered by collective bargaining	20.00	No	0.00	0.00	
W2.4	Does the company identify high-risk/issue regions (by commodity) on the following issues in its supply chain:	20.00	-		0.00	
W2.4.1	- temporary workers?	5.00	No	0.00		
W2.4.2	- lack of freedom of association?	5.00	No	0.00		
W2.4.3	- migrant workers?	5.00	No	0.00		
W2.4.4	- child labor?	5.00	No	0.00		
W2.5	Does the company publicly report on how grievances are addressed?	20.00	No	0.00	0.00	
W3	Commitment to Good Practices on Labor	100.00			35.94	
W3.1	Has the company made a commitment to uphold the UN Guiding	12.50	No	0.00	0.00	

Climate Change

Coca Cola

Code		Weight	Answers	Subscore	Score	Reference
CC2	KNnowledge of company impacts and disclosure	100.00			91.67	
CC2.1	Does the company adequately report and disclose GHG emissions data?	25.00			25.00	
CC2.1.1	Does the company appear on CDP's CDLI or CDPI indexes?	12.50	Yes	12.50		CDP Global 500 Report (
CC2.1.2	Does the company publish information about the company's response to climate change, and GHG emission performance in places other than in the CDP response?	12.50	Yes	12.50		CDP 4.1 (Annual Reports and S
CC2.2	Does the company report and disclose agricultural emissions?	25.00			25.00	
CC2.2.1	Does the company report and disclose Scope 3 emissions associated with purchased goods and services, including agricultural emissions?	12.50	Yes	12.50		CDP 15.1 (2012 Investor Report); associ corn, cane and
CC2.2.2	Is this data verified?	12.50	Yes	12.50		
CC2.3	Does the company report on supply chain risks through voluntary and mandatory reporting mechanisms?	25.00			16.67	
CC2.3.1	Does the company report on climate change risks throughout its supply chain?	8.33	Yes	8.33		CDP 5.1a-g (2012 Inve
CC2.3.2	In the case of a US-listed company, is the company reporting on climate risks in its mandatory security filings (SEC 10-K)?	8.33	Yes	8.33		Reports on water risk and commodity ris (10-K)
CC2.3.3	Is that reporting provided in a comprehensive and detailed manner (meaning that companies include an analysis of future climate risks on their supply chain)?	8.33	No	0.00		reports on climate change risk in their 10-K filings, they i
CC2.4	Does the company articulate risks to small-scale producers and rural communities in their reporting of supply chain risks?	25.00	Yes	25.00	25.00	CDP 5.1a-g (2012 Inve
CC3	Commitments related to climate change	100.00			50.00	

Water

General Mills

Code		Weight	Answers	Subscore	Score	Reference
	- CDP Global Water Disclosure	8.3	Yes	8.3		2011 & 2012 CDP Water Disclosure
WAT2	KNnowledge of company impacts and disclosure	100.0			50.0	
WAT2.1	Does the company provide and disclose data, whether measured or estimated, on water withdrawals within its operations?	16.7	Yes	16.7		2011 & 2012 CDP Water Disclosure
WAT2.2	Is the company able to identify, and does it disclose, discharges of water from its operations by destination, by treatment method and by quality using standard effluent?	16.7	Yes	16.7		2011 & 2012 CDP Water Disclosure
WAT2.3	Has the company identified and disclosed water-stressed regions (by country or region within a country) where it has operations and the percentage of operations in that area?	16.7	Yes	16.7		2012 CDP Water Disclosure
WAT2.4	Does the company disclose the following: (a) regions (by country or region within a country) subject to water related risk (besides water stress) where it has operations, (b) the relevant risk indicator, and (c) percentage of its total	16.7	No	0.0		2011 & 2012 CDP Water Disclosure
WAT2.5	Have surrounding communities of relevant geographies been consulted on the basis of assessments above (WAT 2.3 and 2.4) on water-stress and risk?	16.7	No	0.0		
WAT2.6	Has the company identified key inputs or raw materials (excluding water) that come from regions subject to water	16.7	No	0.0		2011 & 2012 CDP Water Disclosure
WAT3	Commitments related to water	100.0			20.0	
WAT3.1	Does the company formally recognize the human right to water as defined by the United Nations Committee on Economic, Social and Cultural Rights and General Assembly?	20.0	No	0.0		
WAT3.2	Does the company require to fair compensation and grievance mechanisms in case water rights have been violated and/or relinquished?	20.0	No	0.0		
WAT3.3	Has the company set a specific target to reduce its water use in its	20.0	Yes	20.0		General Mills Global Responsibility Report

Transparency Scores Breakdown

	ABF	Coca-Cola	Danone	GM	Kellogg's	Mars	Mondelez	Nestle	PepsiCo	Unilever
T1 - Corporate reporting (GRI and Lobbying)	13	75	68	22	58	38	50	83	42	58
T2 - Disclosure of total volumes	25	28	42	4	4	43	41	44	32	59
T3 - Disclosure of buying agents and sourcing countries	33	23	35	13	17	43	4	57	12	37
T4 - Is the company transparent about its system of audits?	40	80	80	60	80	80	60	80	60	60
Transparency Score (/10)	3	5	6	2	4	5	4	7	4	5

3. How we're trying to get them to disclose



OXFAM

STRATEGIES FOR BUSINESS ENGAGEMENT

Supporting / running companies



engaging with existing companies



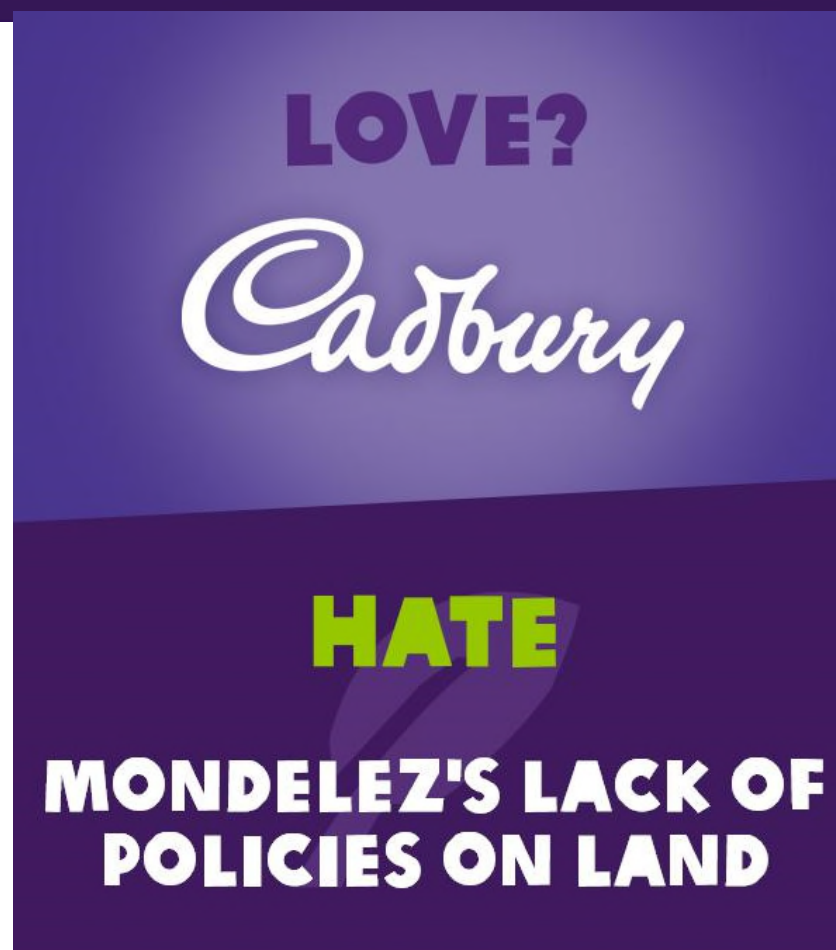
ethical
trading
initiative

RSPO

Roundtable on Sustainable Palm Oil



Consumers interacting – producing posters



Discover the truth about how your favourite food brands are
doing business at
oxfam.org/behindthebrands

This was chosen and shared by an Oxfam supporter. Oxfam is encouraging people who love big food brands to use their power to change the way those brands do business to support farmers, their families and to take better care of our planet.

Consumers Taking Action

⬇ MAKE A CHANGE

 other people have already taken action

Use Facebook, Pinterest, and Twitter to
nudge your favourite brands.



Tweet and tell them
to change



Share the poster
on Facebook



Pin the poster on
Pinterest



Download the
poster to share or
print

Campaign Impact

- 10 localised versions in 7 languages
- 250,000 visits to Behind the Brands website
- 1m page views
- 20k tweets
- Over 15m Facebook reach via 25k shares, likes and comments
- 110k petitions (sent messages asking companies to improve their policies and help women cocoa growers get a fair deal)

Note: these are figures from 25 April 2013

Cocoa Focus Success



Nestlé Good Food, Good Life

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Sustainable cocoa



Read more about Nestlé's
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Nestlé's work with women farmers in its supply chain



VIDEO - EMPOWERING WOMEN: Nestlé sponsors training for livestock workers in Renala, Pakistan. Experts pass on vital skills about water management and sustainable dairy practices, enabling women to manage their cattle more efficiently.

Nestlé is committed to scaling-up its business-related activities and programmes to focus on promoting gender equality and education for women and girls.

The company supports the [United Nations' 'Every Woman Every Child' initiative](#) that encourages governments, businesses and organisations to play a greater role in improving the health and wellbeing of women and children.

This includes exploring how it can do more to help improve the lives of women in its supply chain.

Behind the Brands

In February 2013 the charity Oxfam ^{en} scored ten food and beverage companies on their efforts to improve food security and sustainability.

The Behind the Brands ^{en} survey ranked companies according to their policies in seven areas: transparency, farmers, women, agricultural workers, access to land, water and climate change.

Although Nestlé received the highest score, Oxfam said all the companies in the survey needed to show improvement. The exercise was part of the charity's GROW campaign, which is promoting efforts to ensure food security.

Nestlé response

Nestlé Executive Vice President and Head of Operations José Lopez wrote to Oxfam on March 7, 2013 (pdf, 443 Kb) ^{en}, stating what the company intended to do in response to the findings.

Nestlé will publish an action plan before the end of April 2013 that sets out in more detail what it will do in the short and medium term to strengthen its efforts to promote and support the lives of women in its cocoa supply chain.

Cocoa Focus Success

Mar, 2013

Mars Chocolate And Oxfam America Agree On Intentional Approach To Empower Women In Cocoa Growing Communities

Global/Chocolate



Mars Chocolate is announcing that it will be implementing a set of actions in the short, medium, and long-term that will help Mars Chocolate and the cocoa industry evaluate and strengthen their current programs to ensure that women are able to both fully contribute to and benefit from development programs in cocoa.

This plan of action builds on the leadership Mars Chocolate has demonstrated in empowering women. Mars recognizes that the most effective way to address socioeconomic challenges in cocoa communities around the world is to work comprehensively and holistically. The Sustainable Cocoa Initiative Mars Chocolate launched in 2009 operates under the principle of putting farmers first. By helping farmers become more productive through better research, training, and a strong certification protocol, Mars Chocolate believes the company is also aiding them and their families improve their quality of life.

"Mars Chocolate knows firsthand how important women are to creating a better quality of life for the cocoa communities we work in," said Barry Parkin, Mars Global Chocolate Procurement and Sustainability Head. "We've worked with women leaders in Soubre, as part of our Vision for Change program, and elsewhere. So it makes sense for us to be a part of an intentional approach to empowering women, to working with the industry to develop commitments to helping women, and to report on that progress. This is a critical part of achieving our goal of sustainability for cocoa."

Within the Vision for Change program, Mars Chocolate has been listening to the concerns of women and working with women leaders in their communities to help develop community development plans. In addition to strengthening the voice and role of women in community leadership, Mars Chocolate is also working in a targeted way on the economic empowerment of women, which Mars believes will benefit women in cocoa communities.

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Cocoa Focus Success

Mondelez overhauls women's rights commitment after criticism



By Oliver Nieburg+
23-Apr-2013

 Post a comment

Related tags: cocoa farms, Mondelez, cocoa, gender, women, farming, Oxfam, human rights, fairtrade, rainforest alliance, certified, petition, behind the brands

Related topics: Sustainable Sourcing, Manufacturers, Chocolate, Mondeléz International

Mondelez International has followed its peers Nestlé and Mars in making commitments to tackle gender inequality on cocoa farms after coming under fire from Oxfam and consumers.

Early in March, human rights organization Oxfam had called on the three biggest chocolate manufacturers to conduct independent audits after finding female cocoa farmers were often lower paid than men and suffered discrimination in access to training and materials.

Results were published in Oxfam's supply chain accountability scorecard 'Behind the Brands'.

Nestlé and Mars promised action last month. See [HERE](#). But Oxfam started a petition against Mondelez after deeming its initial response unsatisfactory. The petition had collected over 110,000 signatures.

Mondelez pledge

Mondelez announced today that it would sign the United Nations Women's Empowerment Principles (it is the first of the three chocolate



Women small-scale farmers in Africa own just 1% of agricultural land, but make up 60% of the global agricultural workforce. Photo credit: George Osodi - Panos for Oxfam America

RELATED NEWS:

[Oxfam fallout: Mars pledges to empower women cocoa farmers](#)

[Nestlé promises action to improve women's lives on cocoa farms](#)

[Oxfam confronts Mondelez, Nestlé and Mars over](#)

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=8	Kellogg's	23%	1	2	1	2	2	4	4	16/70
10	Associated British Foods plc	19%	1	1	2	3	1	3	2	13/70

Summary

Why is it important?

1. Transparency empowers people
2. Transparency is important for some commercial interests

How transparent is big food?

1. Not telling us who they do business with, hiding behind commercial confidentiality

How can we get more transparency?

1. Consumer pressure
2. Investor pressure
3. Government rules

A photograph of five children running across a vast, green, and muddy field. The children are in the middle ground, running from left to right. The field is a mix of bright green grass and dark brown mud. In the background, there is a line of trees and a cloudy sky. The text "Thank you!" is overlaid in white, bold font in the upper center of the image.

Thank you!

Questions?