



Footprint Sustainability Index 2022

Foodservice’s guide to a more sustainable future



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Foreword



Katya Simmons
Managing director,
Nestlé Professional UK&I

The foodservice industry is going through unprecedented change. The cost-of-living is rising while supply shortages are pushing prices up. Alongside this, new legislation is being introduced, encouraging operators to rethink their practices around labelling, packaging and waste management.

The market is driving change too, with 64% of UK consumers trying to reduce their meat consumption, and 28% choosing places to eat based on their ethics and environmental practices over the last year¹.

Fortunately, foodservice businesses can reduce costs, comply with legislation and keep consumers happy with more effective carbon cutting and resource efficiency.

Here at Nestlé Professional, we're passionate about preserving the planet. We've already hit ambitious goals on our journey towards achieving net zero by 2050. And to support the industry in this quest, we commissioned Footprint Intelligence to compile the 2022 Sustainability Index report.

Combining in-depth research and insight from sector thought leaders, industry events and forums, we hope it's of value; helping you grow your business while reducing its carbon footprint over the coming year.

Executive summary: 2022 insights

The way the pandemic has impacted our relationship with food and the businesses that serve it, is an issue foodservice and hospitality companies are currently grappling with.

- Will diners and drinkers seek out healthier, more sustainable options, keen to protect themselves and the planet?
- Or will they hunt for the treats – the nights and meals out – they have missed?
- How might the cost of living crisis and rising supply chain costs impact their willingness to spend their money on greener choices if they cost more?

The research for the Footprint Sustainability Index 2022 is drawn from in-depth industry interviews, deep industry engagement, consumer surveys and extensive secondary research.

2022 insights



Clients and consumers

Clients and consumers will seek out more sustainable options, and investment is flowing towards responsible businesses.



1 in 4

consumers choose a place to eat because of its ethics/environmental practices²

ESG credibility reassures consumers ...



1 in 5

of UK consumers boycotted a place to eat in the last 12 months because of its ethics or environmental practices³

£7.1bn

value of brand boycotts – up 17.9% y-o-y⁴

... and attracts investors

10%

of worldwide fund assets are now ESG funds⁵



Sustainable diets

The drive towards **Sustainable diets** and plant-based options continues to disrupt menus and business models. But attention is turning to the nutritional value of meat and dairy alternatives.

Huge shift in diets ...



Meat reduction from 960g/week to 630g/week to achieve net zero, according to the Climate Change Committee⁶

64%

of UK consumers tried to reduce the amount of meat they eat in the last 12 months⁷

... and a huge role for foodservice

... increasing availability e.g. Burger King 50% meat-free menu by 2030⁸



... rebalancing portfolios e.g. Compass 40% switch from animal to plants by 2030⁹

Make it healthy ...



£10.8bn potential additional revenue from the post-covid health kick¹⁰

Use less and better meat + better plants ...

£960m Nestlé investment in regenerative agriculture¹¹



Energy, emissions and natural resources

The cost of living crisis, covid, Brexit and supply and labour shortages are pushing prices up and straining supply chains. But carbon cutting and resource efficiency can bring bills down, too.



42% of consumers would choose a venue because its signage displayed a commitment to reducing CO₂e¹²

What makes up the carbon footprint for pubs and restaurants?¹³



3-17%
Scope 1-2



61-97%
Scope 3

Emissions reduction targets¹³



90%
Scope 1-2



60-78%
Scope 3

GO green ...

30%+ CO₂e savings from switching to renewable energy tariff¹⁴

15% of consumers want to see outlets buying green energy¹⁵

Be efficient ...

£800m additional cost to hospitality from rising energy prices¹⁶

100% average energy price increase for pubs and bars¹⁷

1,000 KFC restaurants being modelled to identify CO₂e mitigation actions¹⁸



Waste and resources

Action on food waste can help deliver climate commitments and cut costs. Packaging also remains in the spotlight and businesses have revived their work on reduction, reuse and recycling.



28%

of UK consumers chose a place to eat because it's working to reduce its waste, such as food/plastics, in the last 12 months¹⁹

View food waste through a net-zero lens ...



Food waste = 23% of total UK food system emissions²⁰

£2.9bn value of food wasted in hospitality and foodservice²¹

Measure, report and act ...



£355m savings from 140 Food Waste Reduction Roadmap businesses reporting y-o-y food waste data²²

4,602 tonnes redistributed by hospitality and foodservice in 2020²²

Packaging remains a priority ...



58% of consumers are worried about the amount of packaging on-the-go²³

28% chose a place to eat because it offered eco/recyclable packaging²⁴



Policy and supply chain

Environmental commitments have never come faster – nor been as ambitious. Net-zero is the principal sustainability concern for many businesses, and a science-based target should underpin any company’s environmental (and increasingly commercial) ambitions. Collaboration will be critical as businesses up and down the supply chain grapple with tackling their huge scope 3 greenhouse gas emissions.



1 in 5 UK consumers had checked a venue’s commitment to reducing greenhouse gas emissions when eating out²⁵

99% of businesses are experiencing supply chain issues²⁶

Covid and the climate crisis is driving collaboration ...

... e.g. Net Zero Pubs and Bars initiative + Zero Carbon Forum roadmap

SMEs must not be left behind ...

Big changes to deliver CO₂e scope 3 reductions in restaurants ...



23% through fleet decarbonisation via supply chain²⁷

16% low carbon menu changes²⁷

14% supplier engagement²⁷

Ensure suppliers shape up ...



£7.1bn contracts cancelled with ‘unsustainable’ suppliers²⁸

Key trends include:

- Data
- Regen ag
- Technology, eg. QR codes and ecolabelling
- Policies on packaging, food waste, deforestation, TCFD, calorie labelling



Employee health and wellbeing

Sustainability can play an increasingly important role in attracting, inspiring and retaining staff during the staffing crisis. Supporting mental health and diversity also continue to be key priorities.



163,000 unfilled hospitality jobs²⁹

96% hospitality workers have struggled with mental health at work (67% in past 12 months)³⁰

45% said prioritising wellbeing and mental health were key qualities in an employer³¹

34% said supporting diversity and inclusion was a priority quality in an employer³²

Climate change – recruitment and retention opportunity ...



35% of people in the UK said doing the right thing for people and planet was a priority quality in an employer³³

77% of workers want more transparency from employers on environmental impact³⁴

Use technology to train staff



1

Clients and consumers

“Climate change is on the radar in a way it’s never been before. Not just because of all the noise and coverage during COP26, and the groundswell of commitments, company action and government sentiment, but also because we’re already starting to see the impacts of climate change around the world. It’s no longer something that will happen in the distant future, we’re living it now.”

Emma Keller, head of sustainability, Nestlé UK&I

We are entering what could be the biggest financial squeeze and inflationary period for decades. A couple of years ago, stakeholders may have let businesses off the sustainability hook to get their balance sheets back in order. Not in 2022.

Evidence of the push for sustainable options and heightened investment in ethically-minded businesses is snowballing. Pressure is coming from consumers, clients, investors, as well as the government. Only a brave business would take its foot off the gas.

1.1 Satisfy consumers

The public want businesses to operate more responsibly. In polls, consumers say they are prepared to pay a premium for sustainable products³⁶ and the value of the ethical food market suggests more are buying into sustainability rather than just saying they will³⁷.

Research by Bord Bia, the Irish Food Board, involving 11,000 consumers in 13 markets and in-depth interviews with experts from businesses including Yo!, Britvic, Tesco and Restaurant Brands International (RBI), concluded that

The UK ‘green pound’ – that is customer willingness to spend money on green products – broke through the £100bn mark for the first time in 2020:

£122bn

total ethical consumer spending 2020³⁸

£14.1bn

ethical food and drink spend 2020 – up 12.3% y-o-y³⁹

Consumers shunned those that didn’t meet their high expectations:



FOOTPRINT INSIGHT

1 IN 4



of UK consumers specifically chose a place to eat because of its ethics/environmental practices in the last 12 months³⁵



FOOTPRINT INSIGHT

22%

of UK consumers boycotted a place to eat in the last 12 months because of its ethics or environmental practices⁴⁰

£7.1bn

value of brand boycotts – up 17.9% y-o-y⁴¹

68%

of 25-34 year-olds would switch from their favourite retailer for not meeting sustainability standards⁴¹

Though an aspiration-action gap “lingers”

47%

of global consumers want to make environmentally friendly choices but only 23% have managed to do so⁴²

the brands helping consumers to be more sustainable will “win”⁴³.

1.2 Support clients

People are returning to UK offices in their greatest numbers since the start of the pandemic, thanks to mandates from employers and the easing of restrictions. But safety concerns, flexible working expectations, and a move towards reduced office spaces are still having an impact. Clients want contract caterers to help entice staff back on site.

27%
occupancy of workspaces
in February 2022
(vs 60% normal rates)⁴⁴

A good food offer draws staff back to the office, and is a critical element of an enhanced office experience. Sustainable, quality catering is seen to be a priority part of this offering: healthy, local food, served alongside top-notch coffee.

1.3 Keep up with competitors

The wave of net-zero commitments, including a flood of them in and around the COP26 climate talks, has showed how action on climate has inspired a competitive spirit among companies. It is, after all, being billed as a ‘race to net-zero’.

“One of the things that’s really changed as a result of the pandemic and the lockdowns and restrictions we’ve all suffered in hospitality,” observes Mike Hanson, director of sustainable business, WSH, “is that you’ve absolutely got to go for every opportunity; you have

“Those who choose hesitation over action will be endangering our planet and their business.”

Mark Schneider, CEO, Nestlé, December 2020⁴⁵

to make yourself better than your competitor.”

1.4 Appease and attract investors

BlackRock, the world’s largest asset manager, recently said it focuses on sustainability “not because we’re environmentalists, but because we are capitalists and fiduciaries to our clients”⁴⁶.

Covid and the climate crisis have resulted in money pouring into ESG funds, which now account for 10% of worldwide fund assets⁴⁷. Tools like the Task Force on Climate-related Financial Disclosures (TCFD) are becoming essential for understanding a company’s ability to adapt for the future.

Investors, whether private or institutional, are demanding more information on everything from carbon emissions to workforce diversity. Scrutiny, and fears of greenwashing, will only increase⁴⁸.

1.5 Be careful how you communicate

Businesses have much to gain from marketing their actions on everything from reusable packaging and worker wellbeing to renewable energy and the sustainable sourcing of commodities. In line with the

Footprint/Vypr Research which found that one in four people specifically chose a place to eat because of its ethics/environmental practices in the last 12 months, research by Lumina Intelligence⁴⁹ showed sustainability claims on the menu are increasing.



48%
the proportion of dishes on
operator menus in 2021 that
include sustainability claims (up
from 42% in 2020)⁵⁰

Some clients and consumers want to know all the detail; others just want to be reassured that they have made a sustainable choice. For those seeking more information, the QR code – which has had a renaissance during the coronavirus pandemic – can provide a gateway for people to learn more about the brands they choose.

Businesses engaged in greenwashing will be shunned

FOOTPRINT INSIGHT

1 IN 4



consumers choose restaurants or pubs because they have strong sustainability initiatives⁵¹

by consumers and pulled up by regulators. Both the Competition and Markets Authority (CMA) and the Advertising Standards Authority (ASA) are honing in on environmental claims. The likes of Innocent Drinks⁵², Oatly⁵³ and Alpro⁵⁴ have recently been reprimanded by the ASA.

Increasingly, consumers and clients want to compare companies on a like-for-like basis. This will require consistency in reporting and heightened transparency. There is a long way to go on both. McDonald's and Starbucks have recently started publishing their plastic packaging footprints⁵⁵– others would be wise to follow suit.

“Everything we’ve done around net-zero and our sustainability journey is about being authentic and transparent, but also being realistic. Sometimes that opens us up to scrutiny, like ‘you’re not going fast enough’. But we’re open to these challenges because we have reasoned responses.”

Claire Atkins Morris, director of corporate responsibility, Sodexo

Golden rules for avoiding greenwash

a) claims must be truthful and accurate

b) claims must be clear and unambiguous

c) claims must not omit or hide important relevant information

d) comparisons must be fair and meaningful

e) claims must consider the full life cycle of the product

f) claims must be substantiated.

Source. CMA principles for environmental claims, 2021⁵⁶





2 Sustainable diets

“If you boil it down to the one thing that people can do in foodservice, it is to serve less meat on their menus.”

Henry Dimpleby, Leon co-founder and author of the national food strategy

FOOTPRINT INSIGHT

64%

of UK consumers have tried to reduce the amount of meat they eat in the last 12 months⁵⁷

Food systems are responsible for 31% (16.5 bn tonnes) of anthropogenic greenhouse gas emissions, according to the latest data from the Food and Agriculture Organization⁵⁸. Foodservice businesses understand that to have any chance of achieving net-zero they need to address the sizeable emissions

from the ingredients they use, in particular livestock products. People have also become more attentive to what and how they consume, making social and environmental issues critical to the hospitality and leisure industry, according to Deloitte⁵⁹. Vegan and plant-based products now represent the “biggest disruptive factor in the industry after covid for a generation”, according to the 2021 Future Food Tracker⁶⁰. Health is driving people towards these options (sometimes mistakenly, see below) but so too are concerns around animal welfare and climate change.

2.1 Embrace the meat-free opportunity

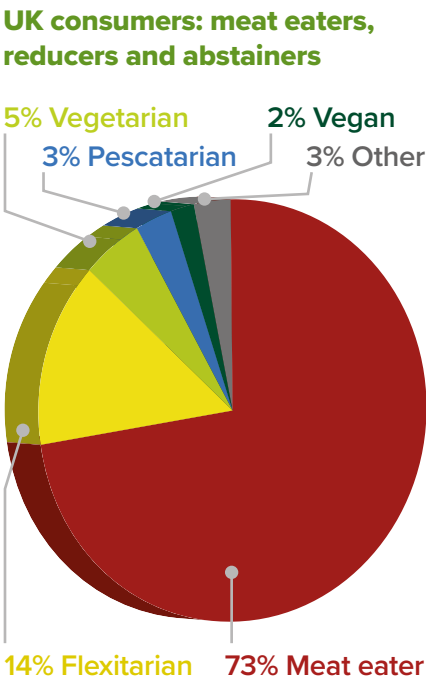


44%

of flexitarians think a meatless diet is healthier

68%

of flexitarians are trying to reduce meat consumption



My health has improved

69% of vegans

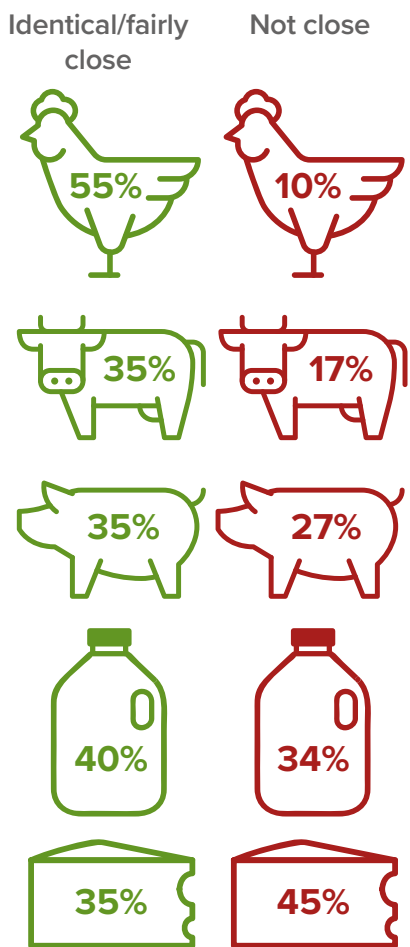
33% of vegetarians

Is it ok to eat lab-grown meat?

Group	Yes (thumbs up)	No (thumbs down)
Vegetarians	34%	42%
Vegans	30%	35%

Source: YouGov^{62, 63}

How close are protein alternatives to the real thing?



Source: YouGov 2021⁶⁴

Flexitarian diets (that encourage eating mostly plant-based foods while allowing animal products in moderation), and vegan and plant-based foods continue to attract interest, investment and innovation. The pandemic appears to have “added to the momentum”, according to Kai-Brit Bechtold, senior consumer research scientist at ProVeg International⁶⁵. Europe’s sustainable protein companies raised more than €2.2bn (£1.8bn) throughout 2021, according

to the Good Food Institute, with cultivated meat proving particularly popular⁶⁶. However, it’s not all plain sailing. Regulatory approval for lab-grown meat in the UK appears some way off. And companies still have to work harder at mimicking meat and in particular dairy. And not everyone is benefiting equally from interest in plant-based. The big high street chains are less popular than independents among vegetarians and vegans, which insiders note is making it harder for the plant-focused options in these chains to gain traction. However, the commercial and climate imperative means that, despite the challenges, increasing the plant-based component of menus must be a priority for all Hospitality and Foodservice (HaFS) businesses.

2.2 Focus on driving genuine meat reduction

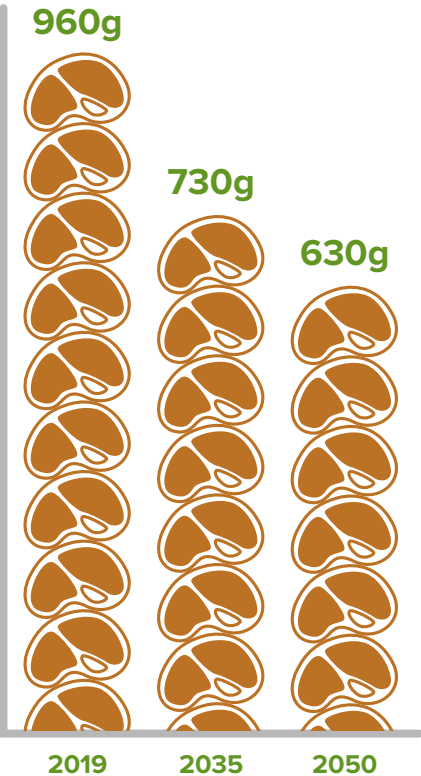
Just because sales of plant-based foods have gone up doesn’t mean meat consumption has come down. In-store research at a major UK retailer by Joanna Trewern, a PhD researcher at the University of Surrey and sustainable diets and behaviour change specialist at WWF, showed plant-based sales jumped 57% during a Veganuary promotion but that meat sales fell only 0.06%⁶⁸. For HaFS, foodservice insiders also admit that meat provides some of the biggest margins for both suppliers and operators. This can act as a disincentive to reduce it on menus. The Climate Change Committee recommends a 20% shift away from meat and dairy products by

Most popular operators by dietary requirement



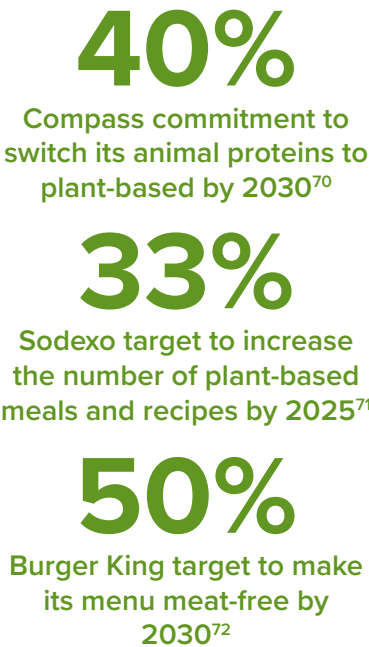
Source: Lumina Intelligence⁶⁷

Total amount of meat per week per person to achieve net-zero



Source: Climate Change Committee⁶⁹

Plant-based targets



2030, with a further 15% reduction of meat products by 2050⁷³. It won't be easy, but covid has shown how adaptable people and businesses can be and this adaptability, flexibility and innovation must be applied to rebalance protein portfolios.

Industry leaders understand that what they sell now isn't what they're going to sell in the future.

Some operators have already committed to meat- and dairy-reduction, viewing it as a 'mitigation strategy and opportunity' in reducing greenhouse gas emissions. *Apetito* has saved 20% carbon on some hospital menus thanks to small tweaks to dishes rather than 'veganising' everything. *WSH* saw meat sales fall 8% between 2018 and 2019⁷⁴.

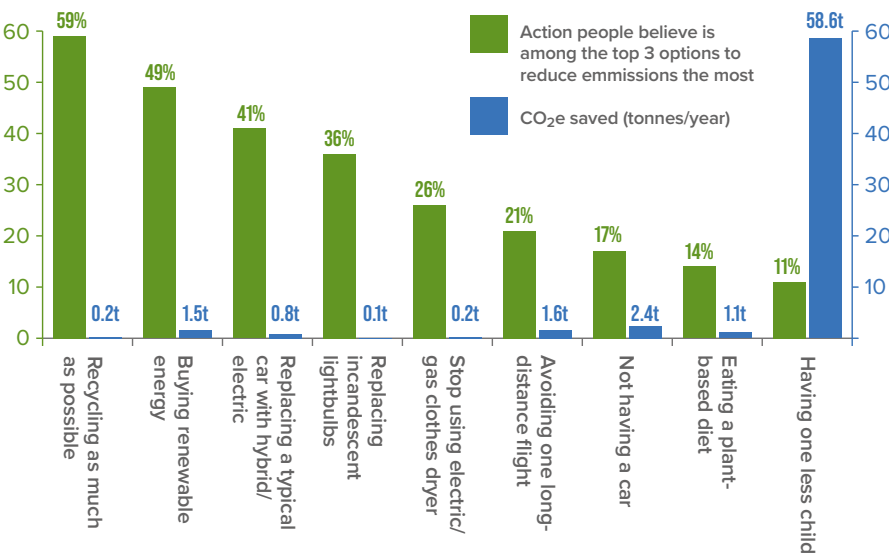
So how do you shift behaviour – and quickly? With difficulty. As *WWF's* Trewern suggests, there is a positive, carbon-saving opportunity

in foods that is market driven that we haven't necessarily seen in other sectors. "But I think the barrier is always going to be that people are a lot more attached to the food they eat than, for example, their energy provider," she adds.

Another issue is that people aren't always aware of which lifestyle choices are the most impactful. Researchers from *Edge Hill University* in 2020 showed that people are aware of the environmental benefits from adopting various sustainable dietary recommendations but they may not fully understand which behaviours offer the largest benefits⁷⁵. This is backed up by research by *Ipsos Mori* et al (see box below).

Operators therefore have a responsibility to harness their power to help drive consumers awareness and demand to drive the plant-based dietary shift.

Are people ignorant of the biggest carbon reduction changes or ignoring them?



Source: Ipsos Mori, FT, Lund University, Transform⁷⁶

2.3 Ensure plant-based options are low carbon and healthy

Brands should expect far more scrutiny of the nutritional qualities of plant-based processed foods in the coming months. Plant-based products are often perceived to be healthier but this isn't always the case and there has been debate over the health credentials of some meat alternatives.

"...there is no evidence that [plant-based meat alternatives] can substitute for healthy diets focused on minimally processed plant foods," wrote Frank Hu, professor of nutrition and epidemiology at Harvard TH Chan school of public health, in an opinion paper for the *American Medical Association*⁷⁷.

Impossible Foods has said its burger was never designed to compete with the health benefits of, say, a piece of broccoli, but makers of alternative meats are nevertheless under scrutiny. Consumers are wary of long ingredient lists, for example, which has prompted brands like plant-based protein supplier Lightlife to make a "clean break" from competitors who use "hyper-processed ingredients, GMOs, unnecessary additives and fillers, and fake blood"⁷⁸.

Others are working hard to ensure their offering still meets key health criteria. Nestlé says it was "really important" for its plant-based range, Garden Gourmet, to have strong nutritional credentials. The majority of the range meets 2024 salt targets, and work is underway to ensure all products are a source

of fibre, high in protein, and lower in fat and saturated fat than the meat equivalents.

"As a food sector we recognise that plant-based is a massively important part of the future and is the direction we need to go," says Emma Keller, head of sustainability, Nestlé UK&I. "It's not about demonising animal products, because there's a role for both in a net-zero world."

With lifestyle and diet-related diseases the leading cause of death worldwide⁷⁹, those in the food industry involved in shifting diets bear a massive responsibility for ensuring new eating habits are focused on healthy, minimally processed plant foods to support better public health.

2.4 Support regenerative farming

Many companies that sell meat or dairy are focusing on regenerative agriculture. This approach is generally accepted to mean farming systems that add carbon and

fertility to the soil as well as having a positive impact on biodiversity.

- **Nestlé** is investing £960m in regenerative agriculture across its supply chain⁸⁰
- **Compass** says 70% of its top five food categories will be sourced from regenerative agriculture by 2030⁸¹
- **First Milk** is paying a premium to farmers who commit to a regenerative farming plan⁸²
- **McDonald's** is working with FAI Farms to define the benefits of applying regenerative principles to beef farming⁸³

Regen ag, as it's known, is not just for meat or dairy production, either. Mark Driscoll from Tasting the Future, a consultancy specialising in purpose and values, is calling for the 'less but better meat' concept to be extended to plants – in other words, 'more but better plants'. "This is where the imagination of chefs can be so important," Driscoll wrote

Shifting the dial on sustainable diets

The retail industry, with its highly-developed powers of persuasion, can do a great deal to help consumers follow through on their good intentions when it comes to sustainable food choices.

40% of the menus offered by Compass at COP26 were plant-based, which led to vegetarian and plant-based dishes accounting for **60%** of food and drink sales at the climate talks⁸⁴.

Menus with 75% vegetarian or vegan options are more likely to sway meat-eaters to choose veg-based⁸⁵.

Covid has also shown operators how consumers are willing to change, for example in adopting slimmed down menus⁸⁶.

recently for *Footprint*, “creating healthy and sustainable dishes that inspire people”⁸⁷.

2.5 Strive to provide healthier treats

Demand for healthy food, drink and leisure activities will be greater than ever, according to Barclays Corporate Banking. Food and drink has the “most to gain” from this covid health kick: £10.8bn in additional annual revenue by 2023⁸⁸.

Tapping into health isn’t always easy for out-of-home brands: many consumers use hospitality for that opportunity to treat and indulge themselves. Lumina Intelligence research shows the most common reasons for eating out or ordering a takeaway are:



Source: Lumina Intelligence⁸⁹

“We’re not saying you have to be vegetarian or vegan, we’re trying to provide customers with enticing meal choices so people choose a plant-based option because it’s the best thing there.”

Claire Atkins Morris, director of corporate responsibility, Sodexo

However, with 58% of UK adults overweight or obese⁹⁰, hospitality and foodservice has a responsibility to ensure these treat occasions are made healthier where possible. And many operators are doing just that, working hard to deliver customer

expectations whilst making health-supporting changes, such as reformulating behind the scenes, considering portion sizes and improving kitchen practices, such as frying, to reduce the fat absorption of products.






3 Energy, emissions and natural resources

“Renewable electricity is the slam dunk, then meat and dairy. These are definitely to be the key areas hospitality and foodservice need to look at reducing.”

Johnny McCreesh, senior climate strategy project manager, Net Zero Now

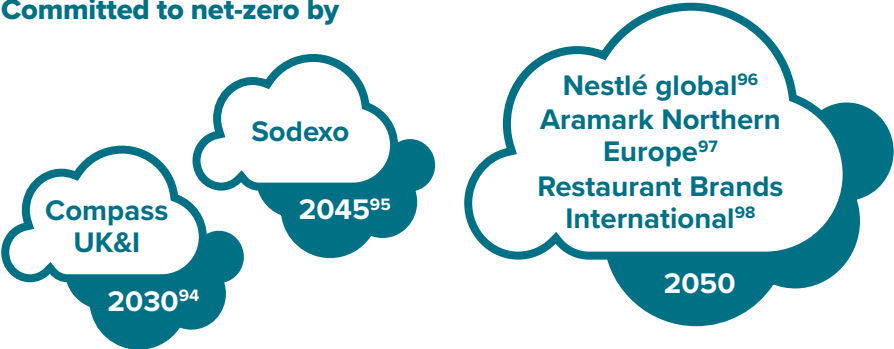
 FOOTPRINT INSIGHT

42%

CO₂

of consumers would choose a venue because its signage displayed a commitment to reducing CO₂e⁹¹

Committed to net-zero by



The latest Intergovernmental Panel on Climate Change (IPCC) report published in March warned that human-induced climate change has already caused widespread adverse impacts, losses and damages to nature and people with major implications for food production and supply⁹³.

Net-zero has arguably usurped all other sustainability ambitions in recent months, and a growing number of corporates have set net-zero targets. We are entering a period of reflection on the depth of the emissions reductions required, the impact on current business models and where responsibilities lie.

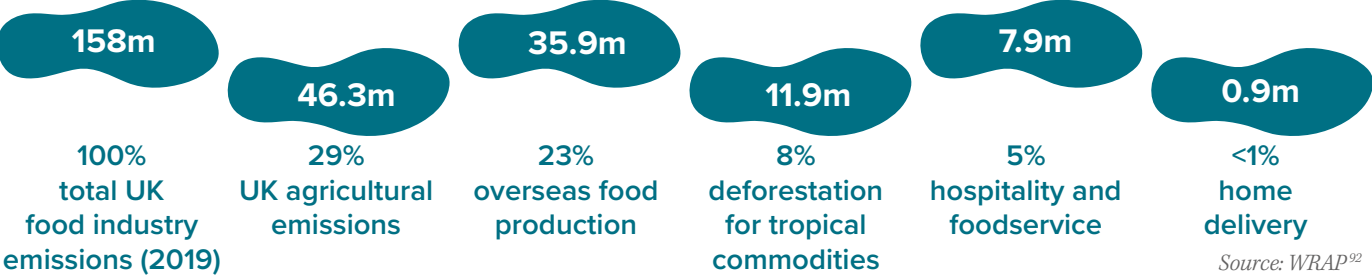
3.1 Prepare for scrutiny (even if you stay silent)

Few firms have published detailed plans or science-based reduction targets yet. Pressure will intensify

to do so, but companies would be wise to remain honest about what they know – and what they don’t. A net-zero standard has only just been agreed by the Science-Based Targets Initiative (SBTi), but for HaFS, collaborative groups and forums – such as the Zero Carbon Forum (ZCF), WRAP’s carbon reduction forum and forthcoming protocol, and the Net Zero Now initiative – have been established to coordinate efforts and give businesses the knowledge and tools they need to establish their own emissions targets, and deliver them. Meanwhile, specific tips and guidance on carbon reduction can be found in Meiko/Footprint’s guide: *Cutting Carbon in the Commercial Kitchen*⁹⁹.

Any plans and targets, however, will be scrutinised. “There is 7.5 times more criticism than praise

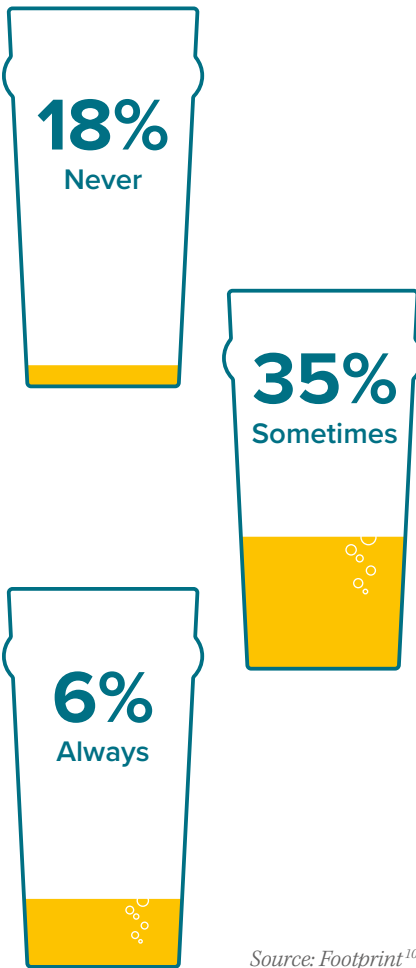
UK food industry’s footprint - tonnes CO₂e and percentage of total UK food industry emissions



for net-zero,” explains Robert Blood, founder of NGO tracking firm Sigwatch¹⁰⁰. Some, like Sodexo UK&I chairman Sean Haley, say this is welcome. Nestlé and Unilever, who both have commitments and plans aligned with the SBTi, have already had to defend their proposals¹⁰¹.

Consumers are sceptical about some of the commitments. Surprisingly, more than a third (35%) haven’t heard about the claims being made¹⁰².

Do you trust the net-zero claims being made by pubs, bars and restaurants?

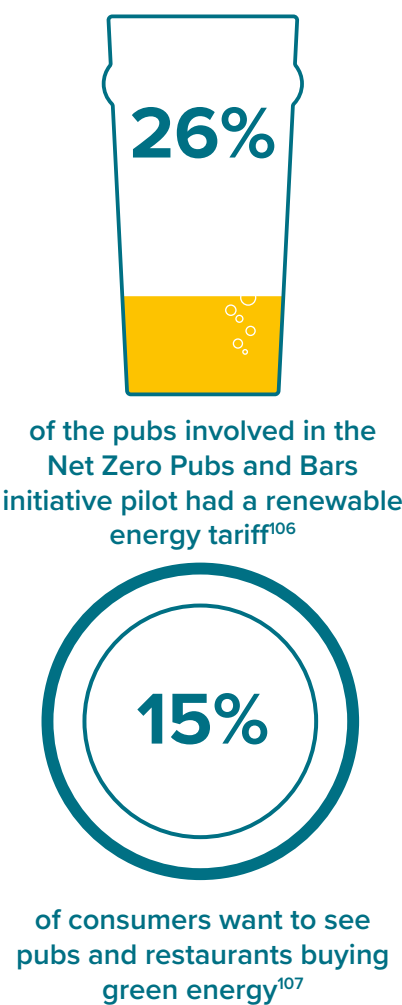
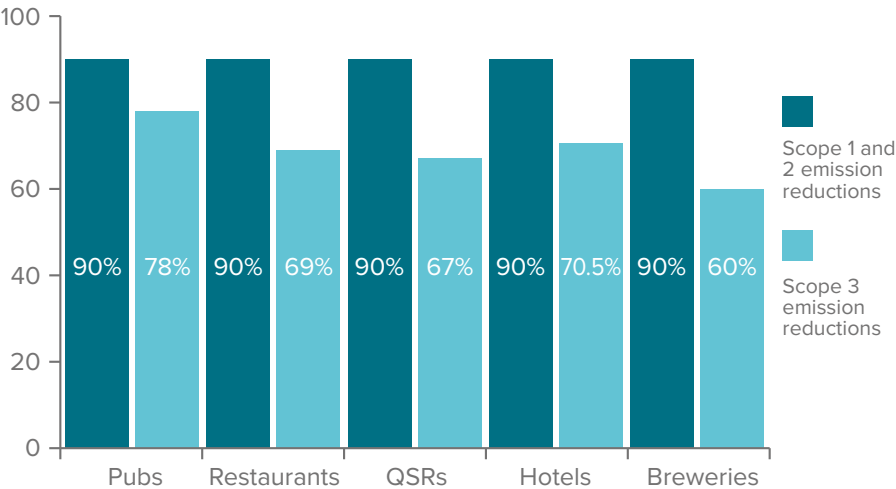


One analysis showed only around a third of hospitality businesses were aligned with The Task Force on Climate-related Financial Disclosures¹⁰⁴. So, the spotlight should really be on those who have done or said nothing, rather than those trying to take the lead.

“We need to focus mostly on the inspirational part, because I think that helps companies move [and] get competitive when it comes to sustainability,” advises Sanne Helderman, research lead, World Benchmarking Alliance. This means those businesses that have set targets must drive one another to go further and faster, whilst those that are still lagging need to be prompted and inspired to urgently set stringent, science-based targets and take concrete actions to achieve them. To do otherwise is a commercial, moral and planet-jeopardising failure.

3.2 Focus on reducing emissions

Emissions reduction targets in hospitality



There is much debate about net-zero and the balance of reductions and the offsetting (or neutralising) of residual emissions. The SBTi has targeted 80% reductions for those, like food companies, with forest, land and agriculture- (FLAG) intensive operations. And the Zero Carbon Forum’s Roadmap has drilled down into what emissions reductions HaFS needs to achieve in scopes 1, 2 and 3 (see chart left). These will be challenging.

Scope 3 emissions will be hardest to curb – especially those at the farm level from livestock. These indirect emissions also account for the lion’s share of food and hospitality company emissions, and are discussed in detail in **Policy and Supply Chain**.

The low-hanging fruit will be in scopes 1 and 2 – and there is plenty left to pick. Brown energy can be switched to green, saving around a third of scope 1 and 2 emissions at a low-cost stroke. Then there is energy efficiency (from behaviour change to clever kit and lighting), buildings can be better insulated and optimised and distilleries and breweries can be upgraded (see **Reducing scope 1 and 2 emissions – potential emissions savings**). And those who have invested in understanding their footprint can be much smarter in tackling their own personal hotspots first.

“We’ve developed a carbon dashboard, which tracks travel activity, energy consumption and so on, and that produces a monthly view of where we are in terms of

“I think buying brown energy for your brand is going to be pretty toxic going forward.”

Mark Chapman, founder, Zero Carbon Forum.

Reducing scope 1 and 2 emissions – potential emissions savings¹⁰⁸

Action	Cost	CO ₂ reductions	
		Restaurants	Pubs
Renewable electricity tariff	Low	32.2%	34.3%
Induction cooking	High	13.5%	14.4%
Building control optimisation	Low	8.4%	8.4%
Solar PV (on-site)	High	5.2%	2.6%
LED lighting	Medium	2.6%	2.6%

carbon,” explains Matt Drew, head of food and beverage at National Trust.

3.3 Think less is more

100%
average energy price
increases reported by pubs
and bars at start of 2022¹⁰⁹
£800m
additional cost to
hospitality sector from
rising energy prices¹¹⁰

“We want to use less water. We want to use less chemicals and we have to use less energy,” says Paul Anderson, managing director at Meiko.

Strategies to improve efficiency, whether they tackle energy, water or materials, will help businesses offset price inflation, curb emissions and bring positive stories with which to engage consumers and clients.

Russia’s invasion of Ukraine shows the exposure of supplies to geopolitical influences too. Packaging supply chains are also facing challenges, with rising prices for recycled materials, while reducing food waste offers considerable cost savings (see **Waste and resources**).

£25,000p.a.
wasted per site on
overnight energy usage¹¹¹

1700
Greene King pubs utilising energy saving tech to save 30% of main cellar cooler energy¹¹²

£7m
benefit from 10-year investment in net-zero by Revolution Bars¹¹³

more of it over to restore biodiversity and sequester carbon (see **Policy and supply chain**).

People across the world have never been more concerned about water pollution, natural resource depletion, climate change, air pollution, and biodiversity loss (see **Top three ‘serious issues’ tracked by Globescan**, right).

New government policies are being crafted to address all of these

- Also likely to gain traction are:
- **Water pollution.** MPs on the environmental audit committee recently warned of a “chemical cocktail” of sewage, slurry and plastic polluting English rivers, which is putting public health and nature at risk¹¹⁸.
 - **Soil pollution.** The Food and Agriculture Organization of the United Nations has warned there is more plastic in the soils than in the sea, threatening food security, people, and the environment¹¹⁹.

Restaurants of the future

Companies are trialling new technologies and approaches at flagship ‘green’ outlets.

At McDonald’s, Market Drayton, Shropshire¹¹⁴

- walls are insulated with sheep’s wool, while cladding is made from recycled IT equipment and white household goods
- kerb stones are made from 182 recycled plastic bottles, reducing CO₂e by 25kg per kerb versus concrete

At Revolución de Cuba, Reading¹¹⁵

- energy efficient lighting and insulation, electrification of kitchens and “intelligent control on cellar cooling” installed
- passion fruit garnish replaced on cocktails, saving £130k and 100 tonnes CO₂e across whole Revolution Bars group

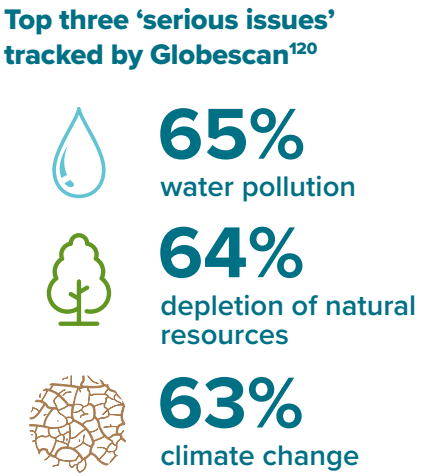
Together, KFC and University of Liverpool¹¹⁶

- will assess 1,000 UK sites and their supply chains
- will build 3D models of restaurant types with live data used to assess carbon mitigation strategies, from energy optimisation to construction materials

3.4 Concentrate on more than just carbon

“Nature is often invisible in all of the ways we account for human success,” says Henry Dimbleby, Leon co-founder and author of the national food strategy for England, referencing the 85% of land in England used to feed people and the need to turn

through the landmark Environment Act¹¹⁷. Businesses must think wider than carbon. Water is going to be a big issue this year. “It doesn’t have the payback of other utilities, like energy, and it could be harder to track than carbon,” says Simon Galkoff, group procurement director at the Big Table Group.



“If we are going to achieve a target like the one we’ve set, and commit to a 2030 endgame [...] then we have to examine everything.”

Carolyn Ball, director for delivery of net-zero, Compass UK&I

4 Waste and resources

“It’s impossible for us to be able to truly achieve net-zero without addressing food waste. And yet I think it’s not hugely well understood.”

David Jackson, director of marketing and public affairs, Winnow



23%
of UK-related food emissions come from food waste



5.1m tonnes CO₂e
emissions from packaging production

Source: Wrap¹²²

4.1 Tackle food waste – a commercial and environmental opportunity



for every pound invested in food waste prevention measures, the return is £7 for hotels¹²³

30%

drop in CO₂e per meal when Fooditude changed contractors and waste was diverted from landfill¹²⁴

Tackling food waste is a win-win, according to WRAP, and efforts can be tailored to maximise contributions towards corporate net-zero targets because “wasting food feeds climate change”¹²⁵. Actions to prevent food from being wasted can be taken rapidly and

will “pay early dividends”, as well as providing wider bottom-line benefits that are sorely needed with food, employee and energy costs rising exponentially.

“Seeing really is believing - just measuring plate, prep and spoilage waste at the end of every service or day enables kitchens to identify hotspots and to take swift action to address them,” notes Eleanor Morris, special advisor, WRAP. “To support hospitality and foodservice to save food, carbon and costs, we continue to develop free learning, tools and guides through our Guardians of Grub campaign.”

Back of house, using every edible part of the ingredient increases efficiency – both in time, procurement, storage and preparation costs – and reduces the amount being paid to waste contractors as it reduces the number of bin lifts. It also reduces carbon, something operators are becoming increasingly aware of as they start delivering their net-zero commitments.

Viewing food waste through the net-zero lens is also focusing minds front-of-house. “Operators are beginning to see that food wasted on the plate shouldn’t be ignored because ‘it’s been paid for.’ Reducing the food left on the plate will actually lead to them making tangible cost and carbon savings because they do still have to pay for the purchase, prep, storage and disposal of that food,” says Juliane Caillouette Noble, managing director at the Sustainable Restaurant Association (SRA).

 FOOTPRINT INSIGHT



28%

of UK consumers chose a place to eat because it’s working to reduce its waste, such as food/ plastics, in the last 12 months¹²¹

Tackling waste and improving resource efficiency are critical in the efforts to protect the planet and keep global temperatures from rising.

Businesses tackling food waste

Nestlé UK&I, Danone and Yeo Valley Organic are among those partnering with Too Good To Go, the food waste fighting initiative and its ‘Look, Smell, Taste, Don’t Waste’ campaign, to tackle date label confusion and help eliminate food waste. The average British citizen is still throwing away £303 of safe food a year due to ongoing confusion over the meaning of date labels¹²⁶. “We are challenging the perception of surplus food,” says Too Good To Go co-founder Jamie Crummie.

One new frontier could be preservation innovation, and efforts to extend the shelf life of products.

For example, GCA’s Graham Veal notes how more precise humidity control in refrigerators can help operators maintain food products, such as different cuts of meats, at optimum temperatures and therefore in better condition, for longer.

Just Eat Takeaway and Hubbub found 16% of each takeaway meal is wasted, with large portion sizes the main cause. Chips, rice, pizza and meat were the main foods wasted. Consumer engagement, regarding for instance better planning and ordering of portions, led to waste from takeaways falling from 16% to 6%¹²⁷. Just Eat Takeaway is working with 15 restaurants that will offer ‘savvy’ portion sizes for chips to cut waste further¹²⁸.

Some of the best ingredients to target are also the ones with the highest costs and largest footprints, like meat. Reducing wastage of these, for example by reducing portion sizes or changing the ratio of meat to veg in composite dishes, will also help soften the blows from rising prices.

4.2 Overcome the reticence to report

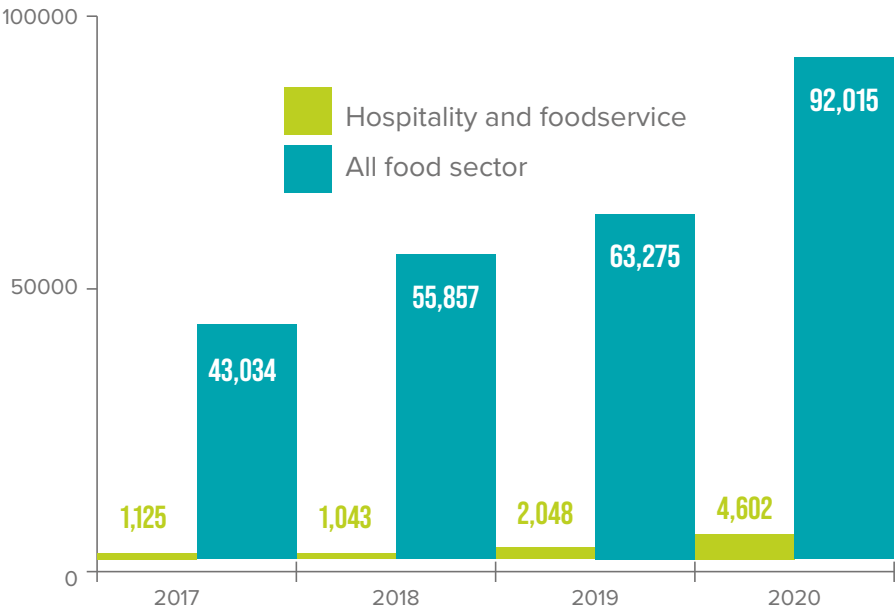
Businesses appear keen to take action but reticent to share their data. Indeed, 15 years after the first UK food waste agreement, less than 10% of major food businesses have committed to full transparency of their food waste figures¹³⁰. Government plans to introduce mandatory reporting for larger businesses have yet to materialise.

“We are reluctant to share data unless we can verify it and that it can be trusted so we deliberately haven’t publicly reported food waste – because to be frank our data has been nonsense as we are trying to estimate tonnage,” noted one firm’s representative during a *Footprint Responsible Business Recovery Forum* last year¹³¹.

This lack of data has created confusion: food waste tonnages have increased across foodservice, according to WRAP¹³². But, without data, operators can’t prove the excellent work they are doing to reduce waste. Data will also be crucial in forecasting future demand as covid continues to make predictions hard.

Food redistribution rates continue to climb – and jumped

Redistribution rates rocket (tonnes)



Source: *Wrap*¹²⁹

dramatically during 2020 due to covid-related supply chain disruption. Foodservice and hospitality could redistribute up to 30,000 tonnes of surplus but this is not the answer to tackling food waste, with prevention saving both cash and carbon¹³³.
“Even if the moral imperative doesn’t move us, the business case for reducing food waste should persuade every CEO,” said Dave Lewis, Tesco’s former boss¹³⁴.

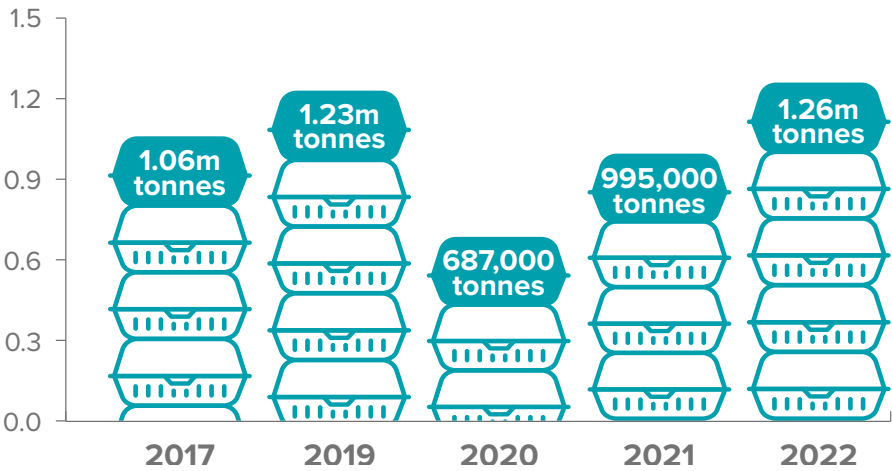
4.3 Keep packaging a priority



of consumers stopped using reusable cups due to safety concerns¹³⁵

“The customer takes more clues about your sustainability initiatives from the packaging than they do about anything else.”
Juliane Caillouette Noble, managing director at the Sustainable Restaurant Association

Highs and lows: Total tonnages of hospitality sector packaging



Source: Valpak PackFlow data (aluminium, glass, paper & card, plastic, steel)/Footprint (2020, 2021 and 2022 are projections)

The coronavirus pandemic brought work on packaging and the establishment of reuse and refill trials to a shuddering halt. Plastic, briefly, became hero rather than villain. There was also concern over the safety of reusables – which persists among some consumers and businesses.
Estimates collated by Footprint recently showed use of disposable packaging dropped by almost 50% between 2019 and 2020, due to business closures. Forecasts predict a return to pre-covid levels this year¹³⁶.

As the sector builds back, campaigners have returned to business as usual. Plastic pollution and production are making headlines again. In March, the UN Environment Assembly adopted a legally binding mandate towards establishing a global treaty to address the full lifecycle of plastics from creation to disposal. Interest in the link between plastic and global warming has surged.

Packaging remains a concern for:

Consumers



58% are worried about the amount of packaging on-the-go¹³⁷

28% chose a place to eat because it offered eco/recyclable packaging¹³⁸

58% say foodservice is doing a decent job in tackling plastic waste¹³⁹

Businesses

The plastics tax has come into force, material costs are rising and there is other regulation on the way (see **Policy and Supply Chain**). Businesses have little option but to act. They remain committed to their targets but wary that net-zero could present some difficult choices, for example if plastic is the low-carbon option.

“As an operator experiencing soaring inflation on packaging products, we are even more determined that our policy remains focused on reduction [...] and to favour reusable where possible.”

Stephen Brennan, supply chain and procurement director, Aramark Northern Europe¹⁴⁰

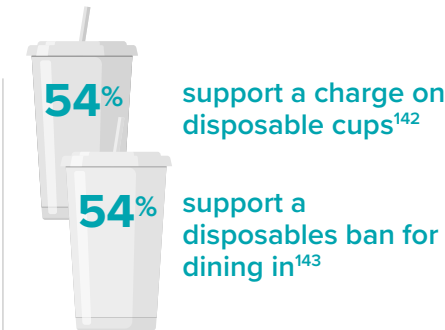
Campaigners

Campaigning on plastic has shifted from acute to chronic. High street foodservice brands in particular should prepare for more scrutiny in the coming year, especially if new regulations continue to be delayed.

Politicians

It isn't clear what the global treaty means for UK regulation yet, but the government has consulted on bans

for single-use plastic items. It has also collected evidence on a charge for disposable cups and a potential ban on using disposable packaging when dining in. There is support for both of these policies among consumers¹⁴¹:



Packaging: trends to watch out for

The big switch from plastic continues. Fibre-based packaging is very popular but presents problems for mills. Brands wanting to display the On Pack Recycling Label (OPRL) must ensure the plastic accounts for 10% or less of the pack.

What to do? Buyers must look at the whole ‘life’ of packaging – the right products from the right suppliers and the right waste management systems to deal with it.

Few brands are transparent about packaging footprints. Data remains poor but *Footprint* research suggests almost 1.23m tonnes of packaging waste was used by the hospitality sector in 2019¹⁴⁴.

What to do? Follow the lead of Starbucks and McDonald’s in measuring packaging footprints¹⁴⁵. From there, risks and actions can be identified. Companies may soon be under pressure to divulge more details on their packaging, including any chemical additives and sources. Information on recycled content will also be crucial as scrutiny increases following the introduction of the plastics tax.

A mandatory ‘recycle/don’t recycle’ label is on the cards but labelling remains a problem for foodservice packaging. Regulators are clamping down on greenwash.

What to do? “Talking about the recycling solutions that they haven’t quite mastered yet shows a level of care, commitment and responsibility,” says Sharon Wallace, brand director at Object Space Place, which works with hospitality brands on sustainable design.

The reuse revolution is returning. McDonald’s, Starbucks and Just Eat have all launched trials. Big brands are reacting to public pressure as safety fears disappear. Zero Waste Scotland is working with small outlets to look at reuse as an alternative to the single-use plastic items being banned.

What to do? Pilots can help test the efficiency, cost, convenience and carbon savings from reuse. Technology is improving and there are third parties like Loop and ClubZero that take responsibility for the packaging and the schemes.



5 Policy and supply chain

“We deal with some major FMCG businesses and they’ve got the same challenges as us. We need to look at how we can help them, how they can help us and what we can do for ourselves.”

Vance Fairman-Smith, supply chain director, Greene King

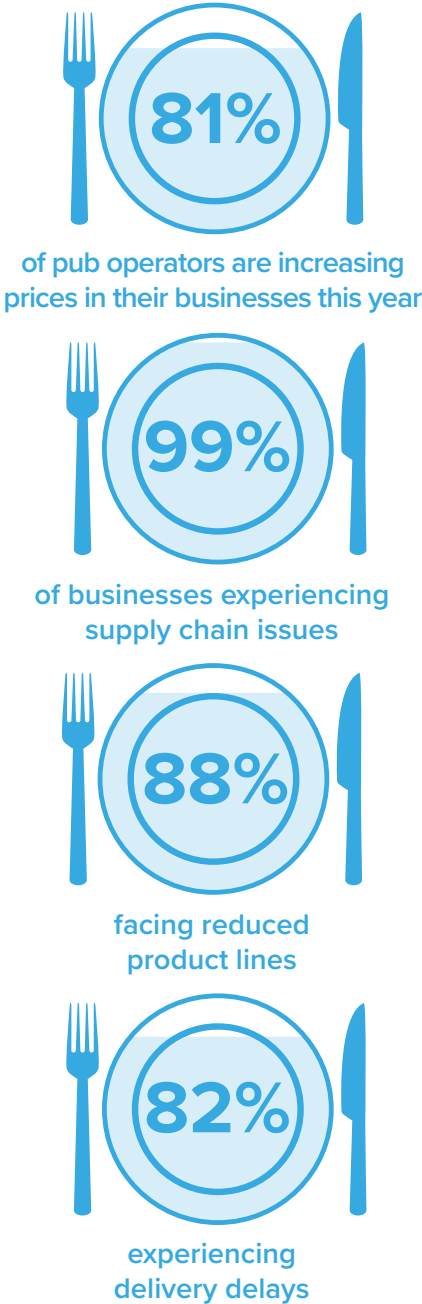
FOOTPRINT INSIGHT

1 IN 5

of UK consumers had checked a venue’s commitment to reducing greenhouse gas emissions when eating out¹⁴⁶

Rising labour, transport, energy, ingredient and material costs, plus impending regulations on packaging, deforestation and financial disclosures, have put supply chains in the spotlight. Covid, Brexit and the war in Ukraine have all exposed the

fragility of food supply chains, and prices are rising as this poll by the *Morning Advertiser* shows:



Source: *Morning Advertiser*¹⁴⁷

What’s more, businesses also have to get to grips with supply chain carbon emissions as they embark on their net-zero journey.

5.1 Collaborate on carbon

Net-zero is creating opportunities for much deeper collaboration – throughout supply chains, within sectors and between them:

- CEOs are writing joint letters demanding progress on climate regulations and reporting
- Global corporates are promising to help suppliers measure their emissions and set science-based targets to reduce them
- Sector-wide roadmaps are also being created

The Zero Carbon Forum (ZCF) has produced a roadmap for the hospitality sector, setting a series of benchmarks and targets for members in the coming year.

Rob Pitcher, CEO at Revolution Bars Group, recently described how engagement with its suppliers, like Diageo and Red Bull, on net-zero has “kicked off these fantastic conversations. They’ve got a team of people [working on this and...] suddenly our scope 3 is looking much better.”¹⁴⁸

Farm suppliers that put nature first have impressed the likes of Greene King and WSH. The interest in regenerative agriculture (see **Support regenerative farming**) is driving more companies to better understand the ingredients they are procuring.

Larger companies, in particular, will need far greater visibility of their supply chains. Setting a zero-deforestation commitment will become a prerequisite for FLAG (forest, land and agriculture) science-based targets, for example¹⁴⁹.

Don't forget SMEs

The likes of Net Zero Now are working hard to ensure SMEs are not left behind. Pubs and bars can download a free new protocol which allows businesses to measure carbon footprints, set targets and develop action plans. They can also pay for certification. Such tools are hugely valuable because currently, only 66 of the 847 companies who have aligned their climate mitigation targets with 1.5°C and net-zero emissions by 2050 are SMEs¹⁵⁰.

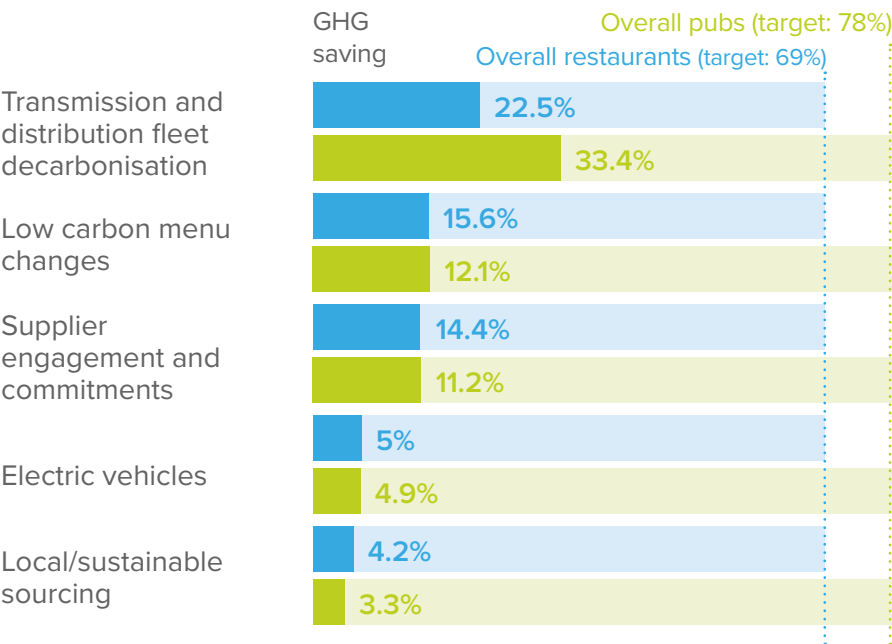
"We are a very high impact, low margin sector which means that these things can't always be tackled restaurant by restaurant – nobody has the margin to drive these big changes. However, all together, there is the margin, the desire to move things forward."

Juliane Caillouette Noble,
managing director at the Sustainable Restaurant Association

5.2 Reducing supply chain emissions

Driving reductions in supply chain emissions won't be easy though. Businesses will need to capture data from their suppliers, lines will need to be drawn over responsibilities and targets adopted. Menus will need to change, fleets must be electrified, and suppliers will have to adapt.

Reducing scope 3 emissions



Source: Zero Carbon Forum¹⁵¹

Suppliers: shape up on sustainability or ship out

Companies are wary of the bar being raised when it comes to all aspects of sustainability. And they are already upping their ambitions, setting stretching targets and applying pressure on their suppliers.

But companies should tread carefully. Treatment of suppliers and staff is a hot topic following covid.

1 in 5

retailers cancelled £7.1bn of contracts last year with suppliers who fell short of ethical and sustainable standards¹⁵²

79%

of retailers said a long-term strategy to improve their ethical and sustainable credentials is more important than short-term supply chain disruption¹⁵³

"The pandemic has put far more emphasis on transparency in the supply chain and how we work with suppliers. Customers increasingly ask us about how promptly we pay suppliers, supplier diversity and how we facilitate smaller suppliers becoming part of our supply chain."

Julie Owst, head of sustainability and change, Bidfood

This could present some difficult conversations and hard choices. Whether it is paper, coffee or beer “we’re going back and saying ‘you need to be better’ – it’s in your scope”, Peach Pubs managing director Hamish Stoddart said recently¹⁵⁴.

5.3 Keep up as demand for data increases

You can’t manage what you don’t measure, but measuring scope 3 emissions is extremely complicated, often costly and takes time. “The fundamental issue is that really you’re talking about how to get data at farm level,” says Karen Fisher, head of climate action, WRAP. “Farmers are not incentivised to do this. They’re paid to produce food not to collect all this information.”

Companies like Greene King and Revolution Bars talk positively

about the collaborative approach they are already taking with key suppliers. The likes of Unilever and Apetito are also focusing on key producers or ingredients so they can target scope 3 hotspots. So, **harness collaboration and determination** to ensure the industry can unite to achieve meaningful reductions.

Some companies are nevertheless concerned that more time is being spent on collecting information than taking action. A consistent, collaborative approach will help.

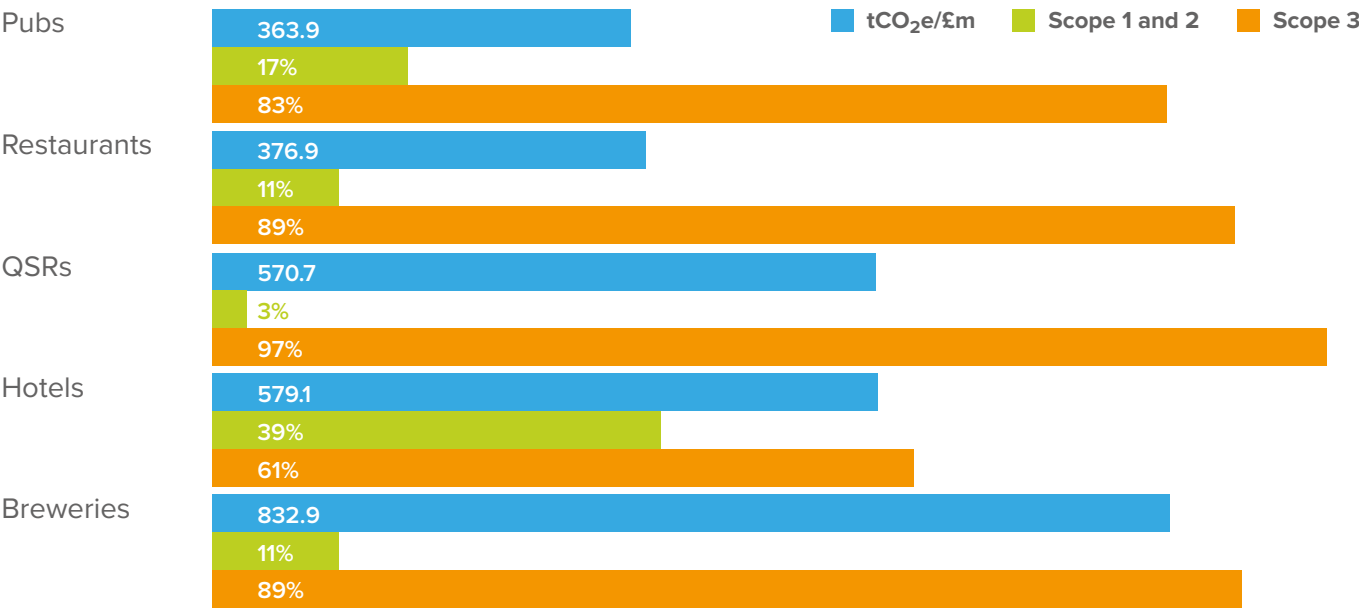
Work by the likes of WRAP, the Environment Agency and the Sustainable Food Trust is expected to help dig for **more accurate data**, pool more of it together and ensure time, money and effort isn’t wasted on duplications.

There are big debates on the horizon. Not all experts are convinced by the carbon-

abating potential of regenerative approaches, for example. The World Resources Institute (WRI) has said it believes increasing **carbon sequestration in soils** through practices broadly referred to as regenerative agriculture has limited potential for agricultural emissions reductions¹⁵⁶. Approaches are being developed to create more standard, consistent global guidance on accounting for **soil carbon**.

Technology will play an increasingly important role – in terms of collecting data, applying it and using it to communicate with consumers. Think of everything from QR codes and food redistribution apps, to carbon labelling of menus. “There are ways of bringing this information to life that can protect any important intellectual property but can still be transparent,” says Keller at Nestlé.

Emissions sources for hospitality businesses



Source: Zero Carbon Forum¹⁵⁵

Eco-labelling – which one to choose?

The number of eco-labels is bewildering (450 and counting) but carbon labels are particularly fashionable¹⁵⁷. There are lots of schemes and different ways of calculating footprints and companies are craving consistency so the labels can be rolled out at scale.

Some of the schemes promise to incorporate more than just carbon in a more complete ‘eco-score’ that look like traffic light labels for nutrition. Chemicals, water, fair pay and child labour are all being incorporated to provide the full story of food to consumers.

Schemes include Foundation Earth, Nutri-Score, FoodSteps and OmniAction. IGD and the Environment Agency are also working on metrics.



Improving incomes, the environment and lives

Cocoa-farming communities face immense challenges, from rural poverty and increasing climate risks to a lack of access to financial services and basic infrastructure, such as water, health care and education. These factors can lead to social issues, including the prevalence of child labour risk on family farms. Nestlé’s new cocoa living income accelerator aims to improve incomes thus helping to tackle child labour risks.

The programme rewards cocoa-farming families not just for the quantity and quality of their cocoa beans, but also for practices that benefit the environment and local community. This improves farm practices to increase yield and build resilience.



5.4 Will policies provide a push?

Voluntary approaches have their benefits – collaboration and harmonisation, for example – but in a sector as diverse as foodservice they have often struggled to capture enough businesses. There are also an awful lot of these schemes and targets, and companies can be left

wondering which one to choose. Suppliers are feeling the same pressure. Failure to join a trade body that monitors ethical and sustainable standards (32%) was in the top three reasons why retailers drop a supplier¹⁵⁸. So, whether it is plastic or carbon, deforestation or nutrition, there is a sense that businesses, especially

larger ones, want governments to intervene – to level the playing field. This takes time, especially following the pandemic, but clear policy and regulations will ensure all businesses have the confidence to invest in building back better. Foodservice must get behind working groups and consultations to help keep up the policy pressure.

Policy watch: some of the changes on the cards and under consideration





6 Employee health and wellbeing

FOOTPRINT INSIGHT

35%

of people in the UK said doing the right thing for people and planet was a priority quality in an employer¹⁵⁹

Staff wellbeing shot up many companies’ agendas during covid. Lockdowns, furloughs, job security and infection risk all saw the topic prioritised as everyone in hospitality felt the pressure. This hasn’t let up since the economy reopened – in fact the focus has arguably intensified thanks to labour shortages, the rising use of dark kitchens, the employment status of delivery drivers and the Black Lives Matter movement.

Mike Hanson, director of sustainable business at WSH, sums it up when he says:

“You’ve got to do everything you possibly can to try and hang on to your people. And that’s not just about paying the most money. It’s

the work-life balance, the flexible working, the wellbeing and how your employer looks after your mental and physical health. It’s also the integrity and the ethics of the business and how it views supply chains and responsible procurement and carbon management and all of that.”

6.1 Harness climate to help attract and retain staff

163,000

unfilled hospitality jobs in December 2021 vs 75,000 December 2019¹⁶⁰

77%

wanted more transparency from employers on environmental impact

15%

felt employer sustainability initiatives were impactful or genuine

62%

of employees said the company didn’t help them make sustainable choices

£5m

campaign for talent launched for hospitality sector

99%

of hospitality professionals say it’s important to work for an organisation with sustainable values

Source: The Caterer¹⁶¹

The staffing crisis facing hospitality and the wider foodservice sector is no secret. Operators are finding recruitment hard now furlough has ended, potential and existing employees find other opportunities more attractive, or talent is lured away by competitors offering higher wages. The shortages along the supply chain have also seen food and drink deliveries come up short.

“To some extent we deserve this, because when things were going really well, we didn’t look after our staff,” one London restaurateur told *Euronews* in 2021¹⁶².

The pandemic, covid, Brexit and climate have presented an opportunity for employers to reset relationships with workers so they are better paid, better trained and able to see a clear career path in the food and hospitality sector. This will both attract new talent and retain it.

But another vital tool is vocalising the business’ sustainability strategy and how each specific job role will help achieve it. There is no shortage of polls showing staff are paying more attention than ever to the purpose of the businesses they work for.

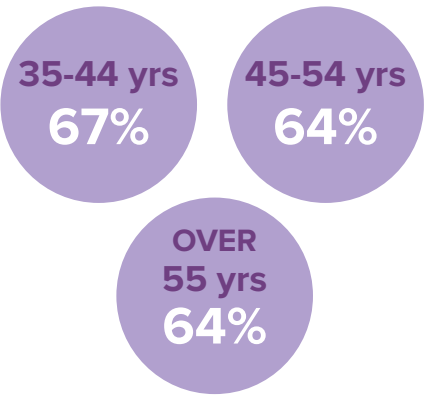
Sustainability is important when choosing a company to work for – and the younger the staff, the more important it is:

16-24 yrs

67%

25-34 yrs

64%



Source: Anthesis Group¹⁶³

Thus, job adverts, descriptions and KPIs should all show how roles relate to sustainability and the difference staff can make. This will not only help with recruitment and retention, but also help to embed sustainability action within the organisation by increasing the profile and relevance of sustainability while increasing the likelihood of creating a team that will be passionate to make a difference.



6.2 Care for mental health



Research by three UK universities last year revealed the experiences of hospitality workers during the pandemic and found “intense” workload demands, evidence of



unpaid ‘work’ like washing and replacing uniforms and providing face coverings, and difficult working patterns¹⁶⁷.
The impact of covid on the mental health of the hospitality workforce is something all businesses should be monitoring very carefully. Staff could be at risk and so too could the company’s reputation.



Business should prepare for scrutiny on these, and, as the sector opens up again, campaigners will begin asking more questions about gender pay gaps, equality targets, ‘real’ living wages, programmes on mental and physical health, and a number of other issues relating to the workforce. And don’t forget the guests, either, in terms of inclusion and accessibility¹⁶⁸.

Dark kitchens must come out of the shadows

Food firms are increasingly attracted to dark kitchens for their profitable structure¹⁶⁹. Gone is the money spent on creating an enticing dining experience (interior, front of house etc.) when the customer never sets foot on the premises. However, concerns have been raised about the working conditions and culture in some of these kitchens, as well as the attention to food safety.

There are no staff to answer queries so information on, for example, allergens, has to be very clear at the point of delivery. Compliance with food safety, hygiene and information laws remains essential, and challenges such as proof of age for alcohol must be overcome¹⁷⁰.

6.3 Continue to tackle diversity and inclusion



FOOTPRINT INSIGHT

34%

of people in the UK said supporting diversity and inclusion was a priority quality in an employer¹⁷¹

The murder of George Floyd and subsequent Black Lives Matter movement has in many cases been the catalyst for the development of new Equality, Diversity and Inclusion (EDI) strategies and commitments, or at the very least recognition that racial disparity is an institutional issue that must be addressed.

- Starbucks in the US has set a target of having Black, Indigenous and people of colour represent at least 30% of partners at all corporate levels and at least 40% at all retail and manufacturing roles by 2025. At a corporate level representation of different ethnic groups is currently 65.2% white, 19.2% Asian, 7.4% Hispanic/Latinx and 2.6% black. Starbucks will also link executive pay to diversity targets being hit¹⁷².
- Whitbread has committed to greater diversity in its leadership population, with targets of 8% ethnic minority and 40% female representation in its top 100 leaders by the end of 2023. It also intends to set targets for greater

ethnic diversity in its middle management population¹⁷³. Change will not happen overnight. A lack of ethnic diversity in senior positions within pub, restaurant, hotel, contract catering and other hospitality businesses suggests that efforts to improve diversity and inclusion of people from minority ethnic groups have yet to bear fruit, according to recent research by *Footprint*¹⁷⁴. “Fixing this will involve a critical examination of every stage of the process, from how individuals are recruited to how they are supported to progress and fulfil their potential,” said Baroness Ruby McGregor-Smith in her seminal government review on race in the workplace published in 2017¹⁷⁵.

Improving diversity

According to the McGregor-Smith Review, the roadmap to success requires the following steps:

- Gather data
- Examine recruitment
- Take accountability
- Raise awareness
- Change processes
- Government support

Source: McGregor-Smith Review¹⁷⁶

6.4 Training is tricky but technology is helping
The flexible approach to working hours has widened the talent pool, for example, with more women in particular benefitting from opportunities that may not have been there two years ago, says

Bidfood head of sustainability and change Julie Owst. Businesses are focusing on training staff in all aspects of sustainability and CSR, from unconscious bias training to training on how to use equipment to minimise energy and water use. CH&Co ensures that every employee undertakes equality and diversity training as part of their induction, with refresher training repeated every year. In 2022 all CH&Co managers will complete unconscious bias training¹⁷⁷.

Train staff correctly on how to use equipment, ensuring they know how to use energy and water saving features and get the best out of the machine, says Anderson at Meiko. However, high turnover of staff creates issues with training. Technology is helping, for example, through more virtual training. Equipment manufacturers are also investing in instructional videos which can help staff quickly get up to speed.

“We’ve got to tackle things as discrete workstreams and focus on a small number of key priorities that have the biggest difference at a time so that we can make demonstrable progress.”

Matt Drew, head of food and beverage, National Trust

About this report

About Footprint Intelligence

The ever-shifting sustainability debate makes it vital for businesses to have accurate intelligence to make informed decisions. Footprint Intelligence is Footprint Media Group's research and analysis division, helping companies develop successful strategies in the context of responsible business practices. Footprint Intelligence aims to drive, promote and share best practice by helping industry resolve pressing sustainability issues. It asks tough questions and finds answers. It uses research and industry insight to bring businesses together to identify solutions, opportunities, trends and challenges.

About Nestlé Professional

At Nestlé Professional®, Hospitality is more than just a business. It is our business. This means inspiring the next generation of culinary talent through Nestlé Professional® Toque d'Or®; striving in the field in Nutrition, Health and Wellness; and collaborating with the Industry for a more sustainable future. From coffee to cocoa, and from food waste to water, we work with farmers, chefs and operators continually to help make sustainable strides forward.

About this research

Footprint Intelligence was commissioned by Nestlé Professional to create the 2022 Sustainability Index. The research comprised of in-depth semi-structured interviews with foodservice experts and sector thought-leaders, desk-based research, involvement in industry events and forums as well as comment and insight gathered from other opinion leaders linked to the industry.

Footprint Intelligence is indebted to the industry experts who generously gave their time and insights as part of the research process. We would like to thank the following for their time, insights and knowledge which were essential in creating this report: Bidfood, Fooditude, Greene King, GCA Management, Henry Dimbleby, Meiko UK, the National Trust, Nestlé Professional, Net Zero Now, Quintex, Sodexo UK & I, the Sustainable Restaurant Association, The Big Table, Too Good To Go, Winnow, University of Edinburgh Business School, WRAP, WSH and Zero Carbon Forum.

We are also grateful to consumer research expert Vypr for providing access to its consumer research panel. A series of consumer surveys were published through Vypr's panel in March 2022, garnering over 1000 responses per question.



Vypr is a leading predictive consumer intelligence platform that combines research into behavioural science with a well-segmented consumer panel. Vypr works with retailers including The Co-op Food and Starbucks, brands like Weetabix and Müller, and large manufacturing groups such as Cranswick PLC and 2 Sisters Food Group.

Report team

Report and research lead:

Amy Fetzer

Research support:

Chris Terry

Report copywriter:

David Burrows

Subeditor:

Nick Hughes

Design:

Trevor Marshall

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