Methodology

Climate & Meat Supermarket Scorecard

Date: 24 th of January, 2023

Authors: Anneke Boersma, Benoît Granier, Michala Kildegaard, Natasha Hurley & Frank Mechielsen

Table of Contents

Introduction

This document outlines the methodology used for our "Climate – Meat & Dairy scorecard". This scorecard is a supermarket ranking that grades retailers on their work to address the climate crisis by reducing the environmental impact of the meat and dairy they sell.

In November 2022, Feedback EU published a report on the role of supermarkets in the climate crisis describing how the food system is responsible for a third of all greenhouse gas emissions with deforestation, enteric fermentation and livestock manure the three single largest contributors to these emissions. In the European Union, 10.3% of all greenhouse gas emissions come from agriculture, of which 70% come from the animal sector. In addition, 68% of the total agricultural land in the EU is used for the production of meat and dairy. There is a need to reduce the production and consumption of meat and dairy. Supermarkets play a crucial role in this transition, as most people shop with them, and have therefore a significant power over people's buying decisions. Consumers expect supermarkets to be honest and take care of their customers. That is why it's time for supermarkets to take their climate responsibility seriously.

Our objective is to have supermarkets meat us halfway: "Halve your meat and dairy sales by 2030 and ensure that the meat and dairy you sell is produced in ways that cause less environmental damage."

The following three focus points can be found throughout the indicators and the report:

1. Supermarkets have a climate responsibility. They should be held responsible for their scope 1, 2 *and* 3 emissions[1], and the reduction of these emissions should be in line with the Paris agreement. More than 95% of their total emissions are related to scope 3 emissions.
2. Approximately 40% of their scope 3 emissions can be traced back to the meat and dairy they sell (Ahold Delhaize, 2020). To act on their climate responsibility:
   supermarkets have to focus on less and better meat and dairy
   -reducing the amount of meat and dairy being sold
   -increasing the amount of certified meat and dairy and plant-based food.
3. The food environment[2] they create gives supermarkets the opportunity to take on their climate responsibility and sell less and better meat and dairy, and more plant-based foods.

The ranking scores retailers across a number of indicators, including whether they have the ambition to reduce their scope 3 emissions and meat sales, whether they offer multibuy deals in their marketing and advertising, and whether they are supporting the farmers in their supply chain to transition to sustainable farming practices. The ranking also looks at how well retailers are translating their corporate climate policies into practice in-store – that is, the action they are taking, such as using clear labelling, offering a range of plant-based foods and better meat options, and using

[1] Scope 1 are direct emissions that are caused within the organization, such as transport, gas use within the building, or coolants. Scope 2 are indirect emissions that arise from the generation of electricity, heat and cooling and steam in installations that do not belong to the company itself, but that are used by the organization. Scope 3 are all the other indirect emissions that are not emitted by the organization itself. Examples are the production of goods and the waste processing of these goods at the end of their lives.

[2] The food environment "contains the total scope of options within which consumers make decisions about which foods to acquire and consume" (Shauna M. Downs et al., 2020) such as advertisements, food placement, and shelf space.

promotions and loyalty card points to support sustainable and healthy choices, such as buying fruit and vegetables. This methodology document explains the selection of retailers, indicators, certification standards and which information was used.

The organizations Feedback Global, Feedback EU, the Vegetarian Society of Denmark and Climate Action Network France have partnered up to work on this scorecard in the United Kingdom, the Netherlands, Denmark and France. The project has been funded by the OAK foundation.

Feedback Global is an organization based in the United Kingdom, working for over a decade on food related issues, such as food waste, the social impact of aquaculture feed supply chains and meat's climate impact. It is known for its research, inclusive community work and campaigns.

Feedback EU is Feedback Global's independent sister organization, working on food related issues in the Netherlands and at the European level. It is active in various coalitions accelerating the protein transition and collaborates with international organizations to expose greenwashing by big meat, dairy and feed companies.

The Vegetarian Society of Denmark is a non-profit organization that aims to promote the plant-based way of living in Denmark as well as to disseminate information about how our dietary choices affect animals, our bodies, and the planet.

Green Transition Denmark is a Danish NGO working to further a green and sustainable transition of society. We do this by creating and facilitating knowledge on sustainable solutions and by urging politicians, companies and citizens to make green choices.

Climate Action Network (CAN) France is a network of 37 French associations involved in combatting climate change and the promotion of the ecological transition and social justice. CAN France is a member of CAN Europe as well as of CAN International.

Supermarkets

The supermarkets chosen in the four countries account for more than 80% of the market share, demonstrating the power supermarkets have over the choices of customers. In each country, we selected the supermarkets with the largest market share. The number of supermarkets chosen in each country also depended on the capacity of each organization for collecting and processing the data. Appendix 1 shows which supermarkets were the focus of our research for the scorecard in all four countries. Throughout the process we have been in contact with supermarkets, to keep them informed on the development of the indicators, and to receive the most updated information they have on their practices.

Box 1: Process in Denmark

Before the start of the research, we sent an email to supermarkets introducing ourselves, and the scorecard. Several supermarkets have reached out for one-on-one dialogue. Three weeks later they received the list of indicators we are using, and a questionnaire that can be found in Appendix 3. A few supermarkets received follow-up questionnaires. They were given about 5 weeks to fill in this questionnaire, in which they could also leave comments about the feasibility of indicators. Whether these comments were taken into account was discussed among the partners. A month before the launch we sent them their preliminary results in relation to the indicators with the public references, after which they had one week to respond or publish new information. After that date (19 December), no new data was used to inform our rating.

Data collection

For most of the indicators, we have used publicly available information, such as annual reports, public statements, and policy papers. In all cases, we endeavored to use the most up-to-date information available. Other indicators were based on data collected through in-store visits (see Box 2) and through questionnaires. The questionnaire that was sent to supermarkets was used to include confidential information, and processes that are still in development, in our ranking.

Box 2: Data collection in Denmark

The indicators related to the food environment; different forms of data collection were used. The specifics per indicator can be found in the corresponding excel sheet. Data related to meat advertisements was assessed through supermarket catalogues; data related to recipes were assessed through the supermarkets' websites and several indicators were research through in-store visits. Every supermarket was visited a minimum of five times. Information for remaining indicators in relation to the food environment was checked by visiting retailers' websites, reviewing their magazines and shop visits.

The adjusted indicators and description of the data collection in France, The Netherlands, the UK and Denmark will be explained in the updated methodology document later in 2023.

Terminology and Justification

When we say meat, in general we mean all meat available to buy in a supermarket, whether it is fresh, canned, or frozen. However, when researching the food environment, we limited ourselves to fresh meat and cold cuts, excluding meat stored in supermarkets' freezers for example (this was owing to capacity constraints).

When we say dairy in our research, we mean all dairy products. However, when researching some aspects of the food environment we did not include yoghurt, butter, ice cream or cheese. With the limited capacity we had for the research, we decided to focus on the most common dairy product, milk, as a case study. This is mentioned in the scorecard.

In our methodology we refer to the transition towards more plant-based food. This includes whole foods such as pulses, whole grains and nuts, and processed food such as protein-rich food (e.g. falafels, hummus) and meat and dairy alternatives.

When we say meat and dairy alternatives, we mean the products that have been developed to be interchangeable with meat and dairy, so any functional analogues of animal sourced foods made from plant-based ingredients (e.g. meat-free alternatives that resemble meat in appearance and eating experience as well as dairy alternatives such as those mimicking milk, cheese, yoghourt, etc.). We realize that whole foods like pulses and nuts are healthy alternatives that support a transition to a more sustainable food system. However, in several indicators in the food environment we decided to focus on the positioning, availability, affordability and visibility of meat and dairy alternatives rather than on whole foods, because we consider this a good indicator of to what extent supermarkets support the transition towards more plant-based food.

When we say "better" meat, we mean products that have credible certification labels. In each country, different labels have been chosen, based on certain criteria. The same applies for "better" dairy. In Box 2 these criteria are outlined for Denmark.

Box 3: Chosen certifications in Denmark

For the research in Denmark, certification labels were chosen based on the consideration on which labels have the highest animal welfare standards and a consideration of environmental matters (water, soil, biodiversity etc.) Although we acknowledge that there are several labels related to this, we decided to focus solely on the organic labels because of the high standards especially on animal welfare. The organic label has higher animal welfare standards than, for example, the governmental animal welfare label and Approved by Animal Protection Denmark. We appreciate supermarkets' own initiative to improve but disapprove communication that could be perceived as greenwashing; in addition to this, many certification schemes are inherently flawed, so it is important to emphasize that the absence of a certification label does not mean that a product is unsustainable.

For both meat and dairy, we have included two following labels: EU organic logo and the danish governmental certified Ø-label.

(Measuring of) Indicators

The initial indicators created by Feedback Global, for its scorecard in England, have formed the foundation of this scorecard. The external evaluation that was carried out in 2021 about the first phase as well as differing national priorities and contexts, have led to adjustments and the addition of new indicators. Fifteen experts from different organisations (Greenpeace, Friends of the Earth, IUCN, Four Paws, WAP, WWF, Questionmark, TAPPC, Dierencoalitie, Fair Trade France, Louis Bolk Institute, Albert Sweitzer Stiftung, CIWF France, and IFOAM Organics Europe) have given feedback on the indicators which fall into three different categories: “transparency”, “ambitions'', and “action”. In total, 100 points can be earned. The first two categories are each worth 33 points, and the last category 34 points. The scores per category are calculated by dividing the points obtained by the total number of points. Not every indicator is worth the same, we have changed the weight of the indicator based on the priority. Being transparent about scope-3 emissions are for example important to us, as is the ambition to reduce meat- and dairy sales and the ban on meat advertisement.

In Appendix 1, you can find the list of indicators. The way these indicators will be measured could be different in France and Denmark due to national context and available information. The updated methodology in 2023 will cover these differences.

Appendix 1: List of indicators in Denmark

TRANSPERANCY				33 points
Indicator				Explanation or examples
EMISSIONS				
1.1.1	Report your scope-3 emissions in publicly available sources through GHG protocol accounting and reports (e.g. GHG Protocol Scope 3 standard)		7	100% of points if published specifically for DK, 75% when published for companywide or for the supplier group in total, 50% if only available through Carbon Disclosure Project (CDP)
1.1.2	Report the animal protein part of these scope-3 emissions in publicly available sources		4	100% of points if published specifically for DK, 75% when published for company wide or for the supplier group in total
LESS MEAT & DAIRY				
1.2.1	Report the ratio of sold animal proteins versus plant based proteins or reporting the % meat and dairy sold of all <u>protein</u> sales		5	100% of points if they report percentage sold animal proteins versus plant-based proteins with the prerequisite that they define what they include in animal proteins and plant proteins.
1.2.2	Report how much meat & dairy is sold as a proportion of overall food sales		4	100% of points if they report the proportion or absolute amount of sales with the prerequisite that they define what they include in animal proteins and plant proteins.

				50% of points if they report an estimation of the above. *An example for 100%: 12% of our total profit in 2020 is from meat, poultry, fish and meat cuts. For eggs, cheese and dairy this was 11%.* 30% of points if calculated and shared through questionnaire
1.2.3	Report how much plant-based food or meat and dairy alternatives is sold as a proportion of overall food sales		2	100% of points if they report this as a percentage or absolute amount, with the prerequisite that they define meat & dairy alternatives
BETTER MEAT & DAIRY				
1.3.1	Report how much better meat & dairy is sold as a proportion of overall meat & dairy sales		5	100% of points if they report publicly the percentage or the absolute amount, when mentioned only for own brand 50% of points unless own brand is >75% of product range; 50% of points for meat, 50% of points for dairy. 30% of points if shared through questionnaire
1.3.2	Report the origin and amount of soya used for the livestock production of your meat and dairy	the origin of soy and risk areas	1	100% for origin of all soy, 50% when only risk areas are mentioned. 50% of points when mentioned only for own brand, unless own brand is >75% of product range
		the amount of soy used for livestock production	0,5	50% of points when mentioned only for own brand, unless own brand is >75% of product range
		the % that is covered by RTRS credits or is verified physical	0,5	

		DCF (deforestation and conversion free)		
1.3.3	Report the annual meat and dairy waste		2	50% of points if they report this for in-store, 50% if they report this for whole chain. Only via questionnaire 30% of points.
1.3.4	Report all meat and dairy suppliers and your criteria for selecting those	all meat and dairy suppliers	1,5	100% of points for having an overview of suppliers, but when mentioned only for own brand 50% of points, unless own brand is >75% of product range.
		selection criteria meat and dairy suppliers	0,5	100% points when a document is publicly available with requirements for meat, dairy and soy. When mentioned only for own brand 50% of points, unless own brand is >75% of product range.
TOTAL			33	
AMBITION				33 points
EMISSIONS				
2.1.1	Have a commitment to reduce scope-3 emissions by 50% by 2030 compared to 2020 or previous years		6	100% if they commit to 50% reduction or more, 75% if they commit to >40% reduction, 50% if they commit to >30% reduction, 30% if they commit to >20% reduction, 20% if they commit to >10% reduction, 10% if they plan to have a commitment in 2022 to reduce the scope 3 emissions
2.1.2	Have a commitment to require and support the suppliers in your food	requirements for suppliers	0,8	100% of points when the suppliers responsible for >70% emissions or yearly

	supply chain to measure and reduce their emissions			spend are required to measure and set targets to reduce their emissions
		financial support provided	0,8	100% of points when financial support is given to do so
		other support provided	0,4	100% of points when support is given via webinars and trainings
2.1.3	Have a commitment to incorporate sustainability into your business practice		1	25% for every example (to a max of 100%) providing how sustainability is incorporated into their business practices (25% for including sustainability in the appraisal, 25% for having a sustainability team at the board level, 25% for having remuneration packages for board/team members in relation to environmental outcomes or 25% for incorporating sustainable food sourcing and consumption principles into buyer training packages, 25% for other convincing examples)
2.1.4	Have a commitment to advocate for ambitious policies in relation to climate and sustainability		2	100% of points for a specific example in relation to advocacy
LESS MEAT & DAIRY				
2.2.1	Have a commitment to sell 50% less meat and dairy by 2030 compared to 2020 or previous years		8	100% points if they commit to 50% reduction by 2030, 90% of points if they commit to 60/40 transition by 2030. 60% of points if the commit to the 50/50 transition by 2030. 25%

				of point when the 60/40 transition by 2030 is publicly supported. 10% of points when they publicly support the 50/50 transition and/or if a plan in relation to the protein transition will be published in 2023
2.2.2.	Have a commitment to double the product range of meat and dairy alternatives or increase the product range by a large volume		2	100% of points if they have a specific commitment, 50%of point for a commitment to increase the product range, 0% no commitment
2.2.3	Have a commitment to make plant-based food more affordable, formulated in concrete actions	e.g. reduced price of fruits and vegetables while waiting for reduced VAT on fruit and vegetables or reduced profit margin on meat and dairy alternatives.	1	100% of points if they have a commitment or concrete actions, 0% no commitment or actions
BETTER MEAT AND DAIRY				
2.3.1	Have a commitment to have 50% of your meat sales from better meat by 2030 compared to 2020 or previous years'		2	100% of points with a commitment to have >50% to be certified with danish Ø-label or EU organic label. 75% of points for a commitment of >25% with same certification labels. 10% of points for a commitment to 'increase' the organic product range, specifically for meat and dairy. When mentioned only for own brand 50% of points, unless own brand is >75% of product range
2.3.2	Have a commitment to have 50% of your dairy sales from better dairy by		2	100% of points with a commitment to have >50% to be certified with danish Ø-label or EU

	2030 compared to 2020 or previous years			organic label. 75% of points for a commitment of >25% with same certification labels. 10% of points for a commitment to 'increase' the organic product range, specifically for meat and dairy. When mentioned only for own brand 50% of points, unless own brand is >75% of product range
2.3.3	Have a commitment "to eliminate meat and dairy coming from the worst industrial animal farming methods"		2	100% of all points when all meat and dairy have minimum one heart in the governmental animal-welfare label in 2025. 50% of all points when all own brand have minimum one heart in the governmental animal-welfare label 2025 (unless own brand is >75%, then 100% of points). 30% for dairy, 15% for poultry, 15% for pig, 20% for beef
2.3.4	Have a commitment to improve the supply chain of soy that is being used for livestock	commitment to be DCF in 2025 with a cut-off date of 2020.	1	100% for commitment, 50% if it is for own brand only (unless own-brand is >75%).
		concrete steps to be DCF in 2025 with a cut-off date of 2020.	1	100% for concrete steps, 50% if it is for own brand only (unless own-brand is >75%).
2.3.5	Have a commitment to make better meat and dairy more affordable, formulated in concrete actions	e.g. reduced profit margin on better meat and dairy	1	100% when concrete steps are formulated, 50% when a commitment is made
2.3.6	Have a commitment to support farmers in their transition to sustainable agricultural practices &	financial support	1,5	100% of points when the difference in price between better and conventional animal products are transferred to the farmer completely, 50% for financial support made

	increase the ratio of long-term contracts with farmers			specific, 25% of points for financial support not made specific
		long-term contracts	0,5	100% for long-term contracts with farmers.
TOTAL			33	
ACTION				34 points
3.1	Stop the advertisement/sales of meat products	Data from advertisements in supermarket catalogues from week 37 up to and including week 47	8	100% of points with no advertisements on meat. 50% of points when better meat advertisements are >50% of all meat products. +25% with advertisement for better meat. +25% with no multi-buys on meat
3.2	Do not promote/advertise meat and dairy products in the store (exception: meat or dairy close to expiry date)'	Shop visits	2	100% or 0%
3.3	Participate in Grøn Januar		1	100% or 0%
3.3	Have plant-based recipes for main dishes on the website (recipes on homepage or "weekmenu" or "favorite dishes" depending on availability) and/or magazine	website visited on 8th September; 24th October and 23th November	1	100% of points when more than half is vegan. 25% when 1 of the recipes for main dishes is vegan on the website
3.4	Use loyalty cards and point systems to promote the purchase of better meat and dairy, or plantbased food, or other ways to make better meat and dairy and plant-based food more affordable.	e.g. no collection of points for meat and dairy, or extra points for plant-based food.	1	100% or 0%

3.5	Make ready meals without meat and dairy the majority	measured on to-go salads as case study	5	100% of points when more than 50% of ready meals are without meat (and dairy) 50% of points when more than 25% of ready meals are without meat (and dairy) 0% when less than 25% of ready meals are without meat (and dairy)
3.6	Have smaller individual meat portions	measured on the average weight of one beef burger as case study	1	100% point if the average is 100 grams or less. 50% point if it's between 100 and 150 grams. 0% points if it's more than 150 grams
3.7	Make plant-based meat alternatives an easier choice	1) by having them in the meat aisle	1	no alternatives = 0; away from meat = 50%; between next, under, below or head shelves = 100%
		2) by highlighting the section of the alternatives	2	highlighting vegan & vegetarian = 100%; only on vegan = 50%; only on package = 0
3.8	Make plant-based dairy alternatives the easy choice	1) by having them in the dairy aisle	1	no alternatives = 0; away from dairy = 50%; between next, under, below or head shelves = 100%
		2) by highlighting the section of the alternatives	2	highlighting vegan & vegetarian = 100%; only on vegan = 50%; only on package = 0
3.10	Make better meat the majority	ground beef and chicken breast as a case study	4	>50% is 100% of the points, >25% is 75% of points, >10% is 50% of points, <10% is 0 points
3.11	Make better dairy the majority	Milk in webshop as case study (0,5 - 2 liter)	3	100% is 100% of points, >50% is 75% of points, >25% is 50% of points, >10% is 25% of points
3.12	Include organic plant-based alternatives in the meat and dairy aisle	1) measured by having at least 1 organic plant-based milk	1	100% or 0%

		2) measured by having at least 1 organic meat alternative.	1	100% or 0%
TOTAL			34	
TOTAL			100	

Appendix 2: List of Supermarkets

Denmark

Retailer	Marketshare % (2021)	No. of stores	Supplier	Publicly listed
Aldi*	3,2	188	Aldi Nord (DE)	-
Bilka	8,0	19	Salling Group (DK)	-
Coop 365discount**	6,6	362	Coop Denmark (DK)	-
føtex	11,2	107	Salling Group (DK)	-
Lidl	3,5	134	Schwarz Group (DE)	-
Meny	6,1	111	Dagrofa (DK)	-
Rema1000	14,8	360	Reitangruppen (NO)	-
SuperBrugsen/Kvickly	12,4/ 6,9	233/65	Coop Denmark (DK)	-
	87,5			

* In December 2022 it was announced that Aldi will completely withdraw from the Danish market in 2023
** The marketshare and no. of stores are based on data on Coops retailer Fakta - by the end of 2022 all stores will have been transformed into Coop 365discount

Appendix 3: Questionnaire

The letter that was sent out with the questionnaire has been adjusted to each national context. The questions below are in English, but they have been sent to the supermarkets in the native language.

Questionnaire - Climate, Meat & Dairy

In the second appendix you can find the list of indicators in English that our partners and we use to score supermarkets. The indicators that are currently difficult to find in public information are included in the questionnaire below, in the same categories. The appendix with indicators can help to clarify what information we are looking for and why.

<u>Transparency</u>

What is your annual meat and dairy waste? Does this include what is wasted in the chain, down to the farmer's level (retailer to farm)?

Where does the soy come from that is fed to your meat and dairy livestock? What concrete steps do you (want to) take to improve the soy chain? Such as excluding deforestation, traceability of certified soy, ambition to use more locally produced animal feed and residual flows.

Which part of the total current meat sales is certified organic? Which part of the total current dairy sales is certified organic?

<u>Ambitions</u>

How do you implement sustainability into your business practices? Consider, for example, remuneration packages linked to emissions or sustainability efforts, training for sustainable food purchasing, monitoring the effect of trade practices with farmers. If not, are you planning to?

How do you publicly or behind the scenes advocate ambitious policies on climate, meat and dairy? Think, for example, of advocating true pricing, 0% VAT on fruit and vegetables or making the climate impact of the purchased items visible on the receipt.

Do you require suppliers to measure and reduce their scope-3 emissions? How do you support them in this?

Do you help farmers transition to sustainable agricultural practices (specifically aimed at sustainable protein production, both animal and vegetables)? If so, how and what level of ambition (how many farmers compared to the total number of farmers in the supply chain)? If not, do you have plans and what is the ambition level?

<u>Food environment</u>

What do you do in the food environment (standard and/or incidental) to reduce the consumption of meat and dairy? For example, stopping meat advertisements and multi-buys, giving meat less shelf space, offering smaller portions of meat.

What do you do (standard and/or incidental) in the food environment to help customers follow a healthy, plant-based diet? Do you have additional plans?