

Sustainability Accounting Standards

Comments from the Natural Resources Defense Council

NRDC's Wasted Food team is pleased to provide the comments below on the **Food & Beverage Sector 2017 SASB Exposure Draft Standards** pertaining to **wasted food**. Our feedback addresses indicators and metrics related to food loss and waste as discussed in the *Agricultural Products, Processed Food, Food Retailers & Distributors* and *Restaurants* sections.

Agricultural Products

Page 4: Industry Description: The redlined version of this standard indicates that "growing" has been removed from the industry description. This is concerning given the vast environmental and social impacts of growing food and other agricultural products, including water and chemical use, soil health and labor issues. We would strongly encourage you to develop standard that address the "growing" portion of the supply chain.

Page 4.1 Industry-Level Sustainability Topics. The topics covered do not include food waste. This appears to be a major limitation as the food wastage that occurs during processing and distribution of fruits, vegetables and other agricultural products is substantial (particularly during processing). We would strongly encourage you to add standards on food waste in these industries and for the "growing" component of agricultural production. The Stewardship Index for Specialty Crops has considered relevant metrics like "acres harvested over acres planted". SISC's efforts to develop relevant metrics may be worth reviewing.

Processed Foods

These section does not require reporting on food loss and waste. We would encourage you to add a Food Waste Management component for Processed Foods, paralleling the requirements in the Food Retailer and Restaurant sections on reporting total food waste tonnage and percentage diverted. The standard should also include reporting by specific diversion channel as we recommend below for Food Retailers (FB0401-06.31) and Restaurants (FB0501-03.12).

Food Retailers and Distributors: Food Waste Management

- Page 233 Industry Description: This description should say explicitly that even though this section is titled "Food Retailers & Distributors", it does not encompass B2B food distribution companies (e.g. SYSCO and US Foodservice) that distribute food and are typically referred to as "food distributors".
- FB0401-06.29 (page 233) As stated, the "food waste generated" figure applies only to "retail locations". It should also apply to retailers' distribution centers and other storage and logistics facilities.

- FB0401-06.29 (page 233) The standards should clarify how unsold food that a retailer has removed from their facilities by a salvage company is to be tracked. Such food may be sold, donated, landfilled or otherwise handled by the salvage company depending on food manufacturer or retailer requirements, market conditions, suitability for donation or recycling, etc. If retailers use salvage companies to handle unsold product, they should report on the disposition of that food and the standards should clearly indicate how unsold food handled by salvage companies is to be reflected.
- FB0401-06.31 (page 234) In the second bullet, reporting of the percentage of total food waste donated should be required rather than optional.
- FB0401-06.31 (page 234) The “percentage diverted” metric lumps donation, animal feed, composting, etc. together and masks how much material is diverted through each of those channels. This more detailed data on the means by which material is diverted from landfill is essential for evaluating the environmental impact of diversion efforts. Consider requiring companies to report the “percentage diverted” broken down by the various diversion methods listed in 234.31.
- FYI, we are pleased to see that SASB is not including incineration or sewer/wastewater disposal as diversion and that you are using WRI Food Loss & Waste Protocol definitions.

Restaurants: Food Waste Management

- FB0501-03.12 (page 270) The “percentage diverted” metric lumps donation, animal feed, composting, etc. together and masks how much material is diverted through each of those channels. Consider requiring companies to report the “percentage diverted” broken down by the various diversion methods listed in FB0401-06.31.
- FB0501-03.12 (page 270) Second bullet should read “... donation of surplus food to social service agencies and/or charitable organizations and the diversion of surplus food for animal consumption shall be considered...” (Food waste used for animal feed typically goes to farms which are for-profit entities, not social service agencies, and the material may be provided in exchange for hauling services provided by the farm operator, so is not necessarily “donated”).