## **Retail-Guide**

# **Sustainable Diets**

Rebalancing of plant-based & animal-based key products

"Protein-Split"

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### Rebalancing Animal-Based & Plant-Based Key Products

Action is needed across the food system if climate and nature targets are to be met. Achieving a 1.5-degree-aligned pathway and restoring nature will only be possible if we shift to healthier, more sustainable diets, while improving the way in which food is produced.

The way in which we produce and consume food is the single biggest threat to nature today. It is responsible for 80% of global deforestation and 29% of global greenhouse gas emissions as well as being linked to 70% of terrestrial biodiversity loss. Agriculture is currently responsible for about 14% of Switzerland's  $CO_2$  emissions. Of this, about 84% is due to animal farming.

We must transform our food systems to improve the health of people and our planet. To do so, the way in which we produce food must change, little to no food can be wasted and food consumption patterns must change. WWF is working on all three levels to improve the way we eat.

To drive this change in diets, we are working with retailers. In Switzerland, to shift toward more sustainable diets most efficiently would mean reducing the amount of animal products consumed and increasing the number of plant-based products consumed. To maintain healthy diets, products containing an **animal-based key product** (this will be specified later in the text) should partially be replaced by products containing a **plant-based key product**. Therefore, we want to track the shift toward more sales of plant-based key products in comparison to sales of animalbased key products. This shift should be represented by the measurement method outlined below. This method will also provide the foundation for further work on the topic by setting goals for the rebalancing process and gaining further insights into the share of processed versus unprocessed key products.

Building awareness of sales of animal-based and plant-based key products is an important step on a company's journey to mitigating climate risk and providing healthier, more sustainable diets to consumers. It demonstrates commitment to transparency and accountability in an area of increasing interest to investors, civil society groups, policymakers, the media and consumers.

The following guidance is intended to support companies on their awareness journey. Existing examples of disclosure in the retail sector serve to demonstrate the journey companies have already embarked upon and the ways in which they have overcome commonly faced challenges such as decisions on which products to include, constraints of existing data systems and limited resources.





#### Metrics

WWF recommends that companies measure their performance in this area through a **weight-based measure**, as this allows sales to be mapped against consumption patterns and environmental impact.

### % sales (in tons) from animal-based and plant-based key products

The data we are asking companies to confidentially provide is absolute sales (tons) of animal-based and plant-based key products as well as the percentage split between sales of animal-based and plant-based key products, which should be disclosed publicly.

**Key Products** Key products are all animal-based foods and plant-based foods that can replace animal-based foods based on the following criteria:

- They can replace animal-based foods due to their nutritional properties.
- They can replace animal-based foods based on their visual, sensory or taste characteristics.

There is a comprehensive list of key products on the following page.



## Definitions

Below is a comprehensive list of key products that should be included in the data disclosed. They should be considered if they occur as a *single* product (e.g., chicken breast, a can of chickpeas) as well as an ingredient in a *prepared* or *composite* product.

#### ANIMAL

- Meat, poultry and game including beef, lamb, pork, chicken, bacon, sausages, burgers
- Fish and seafood
- Dairy including milk, cheese, yoghurt, butter, cream
- Eggs
- Insects

### PLANT

- Legumes, beans and pulses including lentils, chickpeas, baked beans, kidney beans, butter beans, black beans, fava beans, lupin beans
- Meat alternatives including soy (tempeh, tofu), wheat (seitan), pea protein, mycoprotein-based products
- Dairy alternatives including plant milk and yoghurt, vegan cheese, butter and cream
- Nuts and seeds
- Algae (seaweed)



### Scope

Each company categorizes the products it sells differently, but the categories below broadly capture the range of products available that contain animal or plant key products and indicate the scope of products that should be included in the data disclosed.

- Fresh, grocery, frozen and processed protein (e.g., chicken breast, milk, tinned chickpeas and lentils<sup>1</sup>, frozen fish, sausages, plant-based meat alternatives)
- Prepared and composite products (e.g., Spaghetti Bolognese, frozen pizza, soup, quiches, salads)

The data disclosed needs to encompass prepared and composite products as well as fresh, grocery, frozen and processed to give an accurate representation of total key product sales, which will require collaboration along the supply chain, for example with own-brand manufacturers and branded suppliers. A step-by-step approach is possible, for example starting with own-brand products and extending the scope to include branded products when the data becomes available.

A step-by-step approach that respects the materiality of categories is recommended: It may be easier to start by focusing on fresh and processed products (e.g., meat, eggs, milk; pulses, beans, plant-based meat and dairy alternatives) while working on a plan to incorporate prepared and composite products (e.g., chicken in a chicken curry, quiche Lorraine).

In addition, it is possible, in a first step, to record the composite products at the socalled product level instead of the ingredient level (e.g. instead of recording 30g of chicken from the 400g chicken curry, the whole curry is counted in the animal category, i.e. 400g). In the long term, however, a recording at the ingredient level should be strived for.

#### **Product level**

The weight of the entire product is recorded without showing the key product separately. Example: 400g chicken curry and not the 30g chicken contained in it.

#### Ingredient level

The weight proportion of key products is extracted from the total weight of the product. Example: 30g chicken from a 400g chicken curry.

### Measurements

To accurately measure a company's key product sales, the following measurement method is advised:

- Measure the sales (tons) of key products within all products<sup>2</sup> (e.g., grams of chicken breast, grams of cheese in a *cheese toastie*, grams of chickpeas in a *salad*, grams of beef and grams of beans in *chili con carne*)
  - **Example 1:** Count 200 g chicken breast toward the *animal total*
  - **Example 2:** Count 30 g of cheese and 60 g of beef from a lasagna toward the *animal total*
  - **Example 3:** Count 400 g (drained) lentils from a can of lentils toward the *plant total*

<sup>&</sup>lt;sup>1</sup> Drained weight should be used for tinned products

<sup>2</sup> The scope of products will be defined by the retailer in consultation with WWF (e.g., if chips and salty snacks are included)

### Output

#### **Data Management**

Run a report (e.g., Excel) which includes

- a. Product weight (e.g., 400g lasagna)
- b. Weight of key products in the product (e.g. 12g beef in the lasagna).
- c. Annual product sales (number, e.g. 3,000 products).

#### **Split Calculation**

- Weight of the key product (12 g beef) x annual sales figure for the product (3,000 products).
  - At product level: 400g lasagne x annual sales figure for the product (3,000 products).
- Total all key plant products and key animal products separately.
  - Show calculations at product level separately (both results and what proportion of the total they represent).

#### Reporting

- Indication of the total quantity of key products sold (i.e. the total quantity (in tonnes) of key animal products and the total quantity of key plant products).
  - This information remains confidential.
- Indicate the percentage split between key animal and key plant products sold (e.g. 90% : 10%).
  - $\circ$   $\quad$  Make this information publicly available.
- Provide further information on the categories in the plant and animal totals (e.g. 7% of animal totals = fish).
- Indicate the percentage split between unprocessed and processed key products in the above breakdown (optional).



## Step-by-Step Guide

### **Step 1 - Preperation:**

- Creation of a reporting system (e.g., Excel).
- Decide which products / product groups should be included in the data to be disclosed.
- Labelling whether and how much animal and plant-based key products are included in the products.
  - Using ingredient declarations on packaging and data from manufacturers for compound/prepared products.
- Labelling of quantities sold annually (in tonnes).
- Labelling of processed or unprocessed products (optional).

#### Step 2 - Disclosure:

- For single ingredient products, evaluate the volume directly (e.g., 200g chicken).
- For prepared/compound products, report at product level first, if applicable.
- Initially record own-brand products.
- Extend the evaluation to include branded products.

#### **Calculation:**

- Multiply quantity of key product by annual sales.
- Total the annual quantities (in tonnes) for plant and animal key products.

#### **Results:**

- Indicate the proportion of key plant and animal products sold (by weight) [e.g. 70%:30% | animal:plant].
- Indication of the share of unprocessed and processed key products in the above breakdown (optional).
- Indication of the percentage for the public, but confidential reporting of the total quantities to WWF.

Note: The process of disclosure is ongoing. There will be overlaps between these steps.

#### Step 3 – Goal Setting & Continuous Reporting:

- Define a baseline.
- Report annually on progress in data availability in the different categories.
- Set a time-bound and ambitious target for rebalancing sales of key products.

### Checklist

Ensure the data disclosed is specific and transparent by including the following information about the methodology you have used:

#### DEFINITION

- Which categories are included and how have these been broken down?
- Which key products are included?

#### METRIC

 Describe your measurement method. Are you using the weight-based measurement method described above?

#### SCOPE

- What percentage of unbranded products have you covered?
- Do you cover branded products?
  - What percentage do you cover already?
  - Do you include composite and prepared products?
    - What percentage of composite and prepared products?

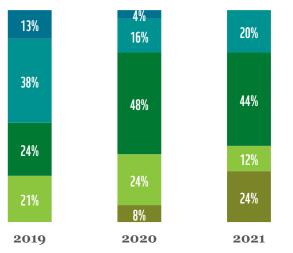
#### TIMELINE

 What reporting period does your disclosure cover (e.g., 2020/21) and how often will you repeat the analysis (e.g., annually)?



## **Best Practice and Examples**

The issue of protein diversification is gaining in importance. The UK is a pioneer in these efforts. There, companies have recognized that alternative proteins offer commercial and environmental opportunities. The FAIRR organization looked at recognizing the material risks associated with the animal protein portfolio between 2019 and 2021. From this data, it is clear that a large proportion of the companies surveyed have started or are already at an advanced stage of measurement.



Recognition of the material risks associated with the animal protein

portfolio

Figure 1. Source: FAIRR 2021

Tesco, a UK retailer, is an example of a company publicly disclosing their sales (weight-based) of key products. Tesco is using existing datasets collected through their health programs, which have been adapted and expanded to facilitate tracking and reporting on key product sales.

Tesco reports the share of plant-based versus animalbased key products for dairy and non-dairy products. In the reporting period 2020/21, they measured the following splits of Non-Dairy & Dairy.

#### **Non-Dairy**

shared

88% (animal-based):12% (plant-based)

No tracking system or plans to

Plans in place to collect data

Tracking ongoing, and relevant data is being collected but has

Tracking ongoing, and data is

being collected; data has been

collect data

not been shared

Animal-based = 7% fish, 81% meat & egg

#### Dairy

95% (animal-based):5% (plant-based)

The recommended split of animal - plant by WWF UK is 50:50, which Tesco has set as a goal as well.

### Protein Disclosure.

In line with the UK Eatwell guide, which recommends a balance of protein sources that includes more plants, we have committed to reporting the sales of plant-based proteins as a percentage of overall protein sales every year to track progress. In 2021, we were the first retailer to share this information publicly. Our methodology has been recommended as gold standard for the retail sector by WWF in their protein disclosure industry guidance.

	Protein type	2020/21	2021/22
Proportion of protein sales for food and soft drink product categories in the UK	Plant	12%	12%
	Fish	7%	7%
	Meat and egg	81%	81%

	Protein type	2020/21	2021/22
Tesco dairy category sales for food and soft drink products in the UK	Dairy	95%	95%
	Dairy alternatives	5%	5%

Our protein split has remained unchanged since 2020/21. This can be linked to the challenges on mix with the temporary consolidation of ranges to support availability throughout the industry supply chain issues, combined with customer purchasing behaviour.

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