

Case study on the development of a sustainable soya policy

Project detail

This case study covers the project work undertaken by our sustainability team in collaboration with the Technical Services and commercial teams to create a policy for sustainable soya.

Challenge

In late 2021, we became increasingly aware that we needed a policy on sustainable soya. Soya is best known for its uses in plant-based products such as soya milk and tofu, but the vast majority (almost 80%) of soya produced globally ends up in animal feed; this is known as ‘embedded’ soya. The production of soya to meet the growing global demand for meat has, in many instances, been a driver of deforestation and changes in land use – both of which negatively impact climate change and biodiversity loss. The main difficulty in this is that the cultivation of soya takes place at the start of complex supply chains for meat and dairy products, so traditionally, there has been very poor visibility and transparency in this area; multi-tiered supply chains have created complexity in sourcing this global commodity. In the same way that consumer-driven demands for palm oil to become more sustainable have affected significant improvements in palm sustainability, the same must happen for soya. Not only this but there is growing legislation around deforestation in the production of certain commodities, so we need to be forward-thinking in growing our visibility in this area and building more sustainable supply chains.

There were many challenges relating to the creation of a sustainable soya policy. These were:

- **A lack of internal resources and expertise** in creating food-sourcing policies within the sustainability team
- **Engagement of other teams** – we needed to collaborate with our technical, commercial and buying teams to agree our level of ambition, design and implement a policy.
- **Poor visibility over supply chains** within food service; the cultivation of soya takes place at the start of the complex supply chains for meat products, with Tier 1 suppliers unlikely to know about the provenance of soya at the beginning of their supply chain.
- **The policy needed to be achievable for smaller suppliers** – we needed to learn from the mistakes of our earlier palm oil policy that had to be scaled down in its ambition.
- **The need to remain competitive** in a price-sensitive market with varied levels of customer interest in this area.
- **Supplier engagement** – we can’t achieve any changes in our sourcing without the engagement and support of our supply chain.
- **Data capture and maintenance** – data capture has been challenging for us as we struggle to obtain the most up-to-date and detailed information from our suppliers. Receiving timely responses from all our suppliers is still a challenge.

We took several steps to overcome these challenges.

Firstly, we recruited externally for a Sustainability Projects Manager with expertise in policy development. Shelley Franklin-Morris joined us from Compassion in World Farming; her background meant she was well-versed in working with large organisations to improve meat-sourcing policies, so she understood the commercial and practical challenges of policy implementation. Shelley reports to the Head of Sustainability but works closely with our Technical Services team in our Slough office to facilitate closer links with this team and the other business support teams, given that their collaboration is needed for policy development.

Secondly, we successfully applied for an Origin Green Ambassador from Bord Bia (the Irish food board), whose remit would be to support the sustainability team and help with the soya policy. This meant that Ailbhe McGowan joined us for six months and helped accelerate this project.

Thirdly, we thoroughly researched and reviewed our products and suppliers and learned from others in the industry. Shelley and Ailbhe engaged with external bodies such as [EFECA](#), who bring together UK food organisations in the UK soya market to achieve a shared goal of a secure, resilient and sustainable supply chain for soya (and other forest products). They also facilitate the industry-led UK Roundtable on Sustainable Soya. They researched the soya market extensively, looking at what competitors, customers, suppliers and other food companies were doing in this area which could be used to shape Bidfood’s ambition. They also looked at our current policies and the learnings from these to avoid any potential pitfalls which had been experienced previously. Bidfood’s policy needed to be workable and commercially achievable for all our own brand suppliers, so the level of ambition had to be correct, given that sustainable soya isn’t a priority for many of our customers, and rising costs were affecting many businesses within our customer base. Shelley and Ailbhe developed a supplier questionnaire which was sent to all suppliers of own brand products that contained soya and/or animal derived ingredients (as soya may be present in the animal feed) in September 2022, to assess whether our suppliers were currently working on soya sustainability as well as their awareness, knowledge, and capabilities in this area.

We also mapped our soya footprint using the freely available [Roundtable on Responsible Soy soya calculator](#) which showed the size of our footprint and how much soya we are using (figure 1). This gives us an idea of the impact our products and where we need to focus our efforts first.

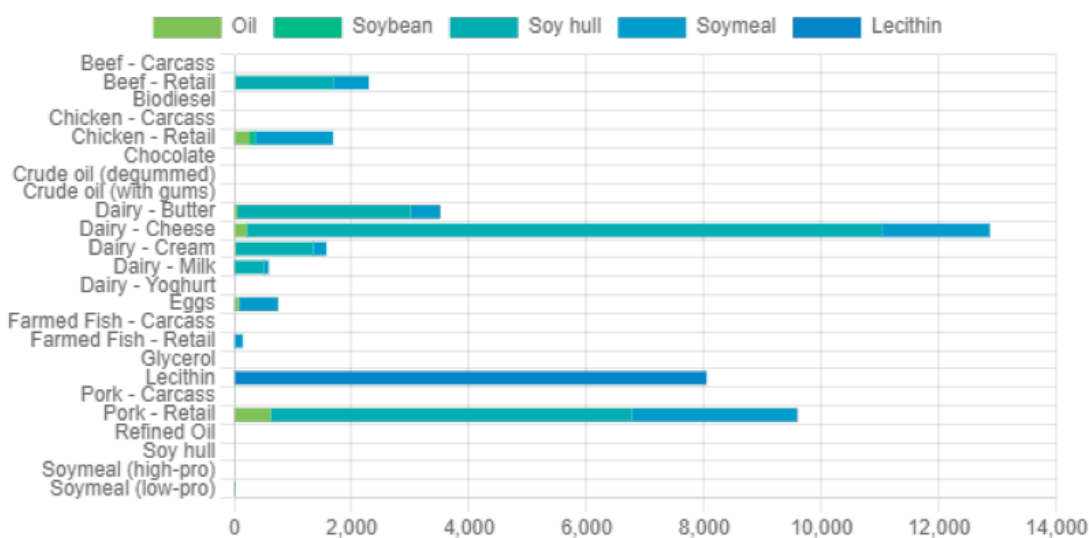


Figure 1 – The result from the soya calculator shows that the majority of our footprint is coming from the pork and dairy in our supply chains.

Through Efecsa, Shelley was able to talk to other companies working on their soya supply chain and learn about the key challenges and progress they had made. With this information, along with knowledge of our supply chain, industry benchmarks, well known resources created by organisations such as WWF and the Consumer Goods Forum, online research and support from Efecsa, in early 2023 we created our policy and set targets to achieve a supply chain free from soya causing deforestation and habitat conversion for our own brand products. As our suppliers are very diverse,

with some being far ahead on their sustainability journey and others with minimal knowledge and resources in this area, we added interim targets into our policy, which set a date for all suppliers to have a roadmap to delivering against our objectives. This enabled us to engage with suppliers and support them where they feel this is appropriate, rather than repeatedly talk about their target and ask when they might be able to meet this.

Later in 2023 we sent out a further questionnaire to track the progress and gaps of our suppliers, which also included information on our policy and target so that our suppliers could see our ambition in this area. Our next steps will be to engage more fully with our suppliers to implement and progress with our policy as well as identify any barriers which we will need to address to fully achieve our commitments.

Learning

The results that came back from our questionnaires showed that this is a very new area for most of our suppliers and they were unable to provide very much data. However they clearly recognised this is an area which needs work and many stated they were planning to do assessments and work on this area in 2023. This shows in the overall results of the questionnaires below, as from the vague data we received in 2022 we are now getting much more detail with companies confirming country of origin, volumes and plans on certification.

Questionnaire Results	2022	2023
% Suppliers have roadmap in place	3%	10%
% Products have roadmap in place	1%	8.14%
% Products containing vDCF soya	0.2%	0.70%
% Products with vDCF certification or evidence	0.2%	0.47%
% Products partially containing vDCF soya	Not asked	14.88%
% on track for meeting policy	1.2%	8.84%

The process of creating, implementing and reporting our progress against this policy led to many learnings:

- Data management:** A considerable amount of data has to be collected and managed in order to identify key target areas and track Bidfood’s progress. 430 products from 71 suppliers fell into scope of the policy, and for each product we needed to record data such as the meat/egg/dairy/soya inclusion rate, weight, soya origin, volume, and information around the sustainability of the soya if any. We use multiple data management programs, making it hard to compile data and ensure accuracy. Having an effective data management system at the beginning of the project, which can easily import data from other systems and questionnaires, would have helped save time further down the line.
- Establishing the right supplier contact:** Initially, we used a list of suppliers’ contact details, maintained by our technical information team. However, these weren’t necessarily the correct contacts to approach for our specialist questions. Having Buying and Technical managers involved helped ensure the correct supplier contact was being approached, especially when suppliers had team members who dealt specifically with this area.
- Maintaining team effectiveness:** Regularly summarising key points and action items can ensure everyone is on the same page and that progress is tracked effectively. Although sometimes there was not much to discuss in these groups, it was still helpful to have regular

discussions as it kept the policy at the top of colleagues' minds, and they could discuss it with their teams as well.

- **Working cross-functionally:** Regular catch ups are essential to ensure everyone's ideas and viewpoints are taken into consideration and wider teams are fully engaged and invested in the process.
- **Ensuring effective project management:** Keeping an up-to-date action plan and reminding team members to complete actions before the next meeting was essential to ensure progress was maintained.

Benefits

There have been many benefits to having a policy on sustainable soya, beyond reducing the environmental and social impacts in the areas from which soya is sourced in our supply chain.

Engagement with our suppliers has helped us to build closer relationships with our supply base and gain a broader understanding of how best to work with them on key issues in sustainability. We gained a much better understanding of which of our suppliers are more advanced in soya sustainability, which helps to give insights into how to support our other suppliers who may just be starting out on this journey. Alongside this, our suppliers have talked about other issues and initiatives they are working on which is useful for our other sustainability workstreams.

Our customers help drive our policies by communicating to our Senior Leadership Team the areas that are most important to them. This also works for our suppliers; policies give them an area to focus on and highlight the current issues we must resolve. The existence of a policy requires our supply chain to understand more about the provenance of the soya that's going into, for example, animal feed in the meat industry so that we can source more responsibly and reduce deforestation.

Another benefit is the effect achieving our policy will have on our carbon footprint. Sustainable soya minimises the Scope 3 carbon emissions for us and our customers and helps alleviate the climate and biodiversity crises.

Having a solid policy in this area enables us to build resilience in our supply chain in the face of growing legislation relating to deforestation. We're currently ahead of legislative requirements, and our policy creates the context for greater action so that we're well prepared for meeting future legal requirements. For example, new EU legislation relating to forest products (EU Deforestation Regulation) is now coming into force, and the UK government announced similar legislation in the UK with further details to follow in Spring 2024.

Beyond this, our policy demonstrates our ambition to be a positive force for change in food service; customers, employees and wider stakeholders are reassured we're working hard in this area and supporting objectives on deforestation-free soya. Our commitment also helps to build momentum for change in the food industry; connecting with Efeca and joining working groups increases our understanding of the issues. Many customers rely on us to understand challenges and opportunities for reducing the impact of the food they buy from us.

Next steps

We will:

- Regularly monitor our suppliers' alignment with our commitments and progress and report progress to relevant stakeholders
- Assess gaps and potential improvements within the responses received by suppliers

- Work with suppliers to implement roadmaps and progress towards our commitment
- Keep abreast of changing legislation and use this to progress our policy more quickly where possible
- Work on barriers with internal stakeholders and company systems
- Meet our stated commitments as per our policy

A policy is only effective if internal and external stakeholders are aware of it and understand what compliance involves. For this reason, we work on developing the knowledge of buyers, category and technical managers so that they can talk to suppliers about this policy and support them in making the necessary changes to comply.

We keep a close eye on customers' requirements and commitments in this area so that we can help customers with their objectives. We're also monitoring legislation in this area so that we can stay updated. We're waiting for the secondary legislation for UK Forest Risk Commodities at the time of writing. Being part of the UK Roundtable on Sustainable Soya helps in this area.

Regarding governance, we report quarterly to our senior leadership team and the operational working groups for our 'Planet' and 'Customer' pillars. We report externally via our independently assured annual sustainability report on an annual basis and include updates within the TCFD (Taskforce on Climate Related Financial Disclosure) section of BFS Group's Annual Report, as well as within our SASB framework (Sustainability Accounting Standards Board).