

# Empty Promises or Meaningful Action?

Assessing the food and beverage industry's racial justice actions in the wake of George Floyd's murder

## **EXECUTIVE SUMMARY**

### Project aim

George Floyd, a 46-year-old Black man, was murdered on May 25, 2020, by a White police officer. His murder sparked an unprecedented national response. By the end of that summer, Black Lives Matter protests had drawn record numbers of people into the streets who called for actions by civil society, governments, and corporations. Many companies responded with pledges to implement internal diversity, equity, and inclusion (DEI) initiatives and/or to work towards racially just communities and society. However, two years later, the extent to which companies have actually acted to advance racial justice is uncertain.

Food and beverage companies are among the businesses that made racial justice pledges. They are well-positioned to contribute to policy, system, and environment changes to further racial justice — within their companies, in the local communities in which they operate, in the food sector, and in the broader social and political sphere. However, their actions must be viewed in the context of the long and well-documented histories of racialized marketing of junk food and sugary drinks to Black communities, and other industry activities that harm health and contribute to health disparities. This report describes racial justice actions taken by 25 leading U.S. food and beverage companies.

#### Methods

We collected publicly available information for 25 leading U.S. food and beverage companies about their racial justice statements, commitments, and actions during the summer of 2020 following George Floyd's murder and again in the fall of 2021. We searched company websites, reports (e.g., corporate social responsibility reports, annual reports), media releases, and social media posts. We assessed the status of each action we found – completed, in progress, or unknown. We attempted to verify actions and their status with each company.

## Key findings

- Most companies made a public statement in response to the murder of George Floyd and Black Lives Matter protests. Of those making statements, most made progress implementing some racial justice actions. These companies completed 27% to 88% of announced actions.
- The number of racial justice actions completed or in progress varied substantially across companies, suggesting that companies with fewer actions could do more to catch up with their peers.
- All companies could take more actions no company had actions in all categories. No company completed all its actions.
- Solely relying on counts of actions has limitations because the types of racial justice actions were diverse with respect to resources invested and their likely impacts on racial justice.



- Actions likely to have a larger impact on racial justice, such as supporting racial justice public
  policies or increasing diversity of employees and suppliers, tended to be less frequent. Among
  the companies that did act in these high impact categories, the proportion of activities that were
  completed was lower relative to other categories.
- The most common actions, such as charitable donations or organizing employee conversations and trainings about race, were easier to implement and had less potential for impact.
- While most companies made monetary donations to support community or societal racial justice efforts and organizations, the donations comprised a very small proportion of company annual revenue (< 0.001% to 0.57%).
- Publicly available information about the progress status of racial justice activities was difficult to find.

#### Recommendations

Many companies made commitments to advance racial justice and equity and have begun taking action. While this is a good start, companies must do more. They must:

- Expand the scope of their actions and sustain them. Companies should prioritize high impact actions such as supporting public policies that address structural factors that sustain racism.
- Refrain from activities that increase racial injustice these actions undermine their efforts to advance racial equity. Racialized marketing of unhealthy foods and beverages is a good example. Supporting racist policies and political candidates is another.
- Align their business practices with advancing racial equity.
- Devote more of their annual revenues to supporting community-based racial justice efforts.
- Be transparent and publicly accountable for the full spectrum of their actions positive and negative - that affect racial justice and report on their actions using meaningful, standardized accountability metrics.

<u>The report</u> contains additional recommendations. Food and beverage companies should use their power and resources to do much more to advance racial justice. Our recommendations, based on the findings of this research, should be considered in light of the <u>full spectrum</u> of racial equity strategies companies should pursue.