

2023 F&B Industry Report

The State of ESG Compliance for the Food and Beverage Industry

In less than 30 years, ESG has evolved from a lofty ideal to an increasingly corporate and consumer imperative, with the movement quickly spreading to the food and beverage sector given its significant impact on the planet, its people and standards of governance. In its latest research, TraceGains talked to food and beverage professionals to shed light on the challenges brands are facing on the road to becoming more sustainable.

Brands Want to Do Better



What's Holding Them Back?

Despite good intentions, there's a disconnect between well-meaning brands and their ability to fulfill the promise of sustainable product delivery.

41%

of F&B companies still believe they're falling short.

TOP BARRIERS TO ENTRY



42%

GENERAL MARKET CONFUSION

42% of brands agree that confusion around the labeling of sustainable foods is an issue.



60%

DIFFICULTY SOURCING PARTNERS

Half of the 60% of brands with resources to search for ESG-compliant partners faced challenges in the last 6 months.

16%

LACK OF INTERNAL RESOURCES + AUTOMATED TOOLS

Only 16% of brands use technology-assisted processes for validating ESG partners.



49%

NOT ENOUGH SUPPLIER TRANSPARENCY

49% want supply chain visibility beyond just Tier 1 suppliers.



24%

HIGH INGREDIENT COSTS

24% of brands can't afford to pay more for premium ingredients.

Navigating Toward a Sustainable Future

F&B brands are intent on becoming more sustainable, but it demands unwavering dedication.

42% of brands are planning to use more sustainable ingredients within the next 6-12 months.

Technology is Critical

While few F&B brands are using it, all agree: **technology is crucial for ESG compliance.**

THE MAIN DRIVERS FOR INVESTMENT

55%

Supply chain transparency + traceability

48%

Managing supplier + vendor standards + compliance

43%

Reducing carbon footprint + greenhouse gas emissions

By offering deep visibility into supply chains, collaboration between brands and suppliers, carbon footprint management and more, TraceGains stands ready to empower F&B brands to achieve their ESG goals, ensuring a more sustainable future for the industry and the planet.

Address ESG with Ease