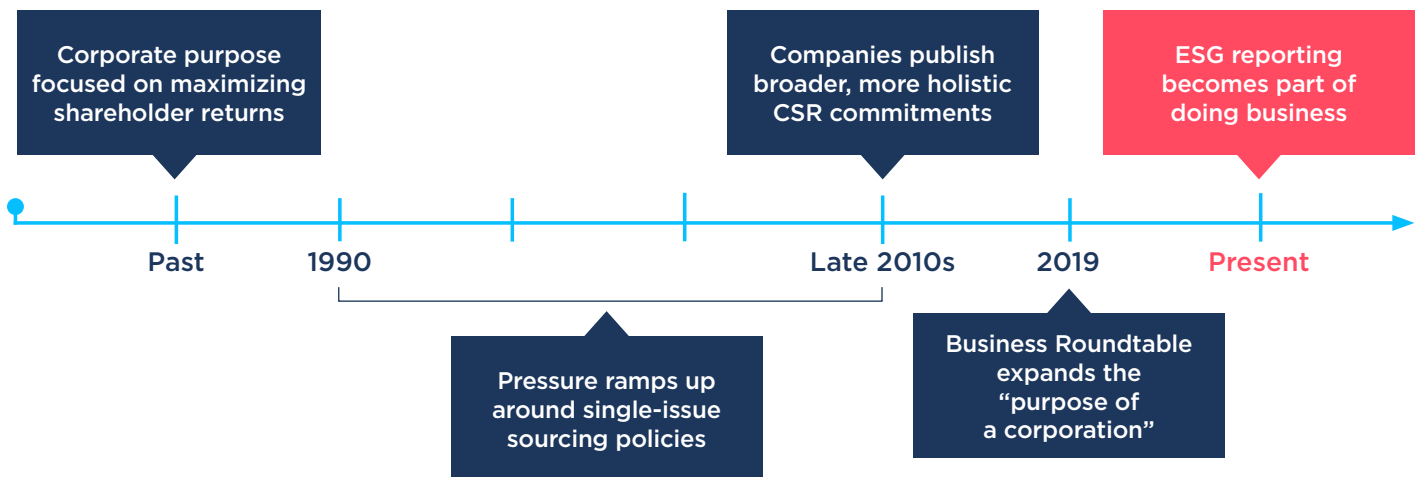


The Evolution of Corporate Responsibility



One of the most evergreen trends we track at The Intel Distillery has been the ever-evolving ways that brands define what makes food “good.” Lately, companies have increasingly integrated corporate social responsibility (CSR) themes when telling their brand stories. We outline our perspective on this evolution below, but if you’d like to hear more, we also [discussed](#) this topic with industry leaders from Quaker, Tillamook and the National Pork Board in late August.



The first challenges to Milton Friedman’s idea of prioritizing shareholder return above all else came from consumer groups, activists and media pressuring retail and foodservice brands to consider environmental and animal care issues in their sourcing. The issue spiked in the mid-2010s, as food producers responded with very public commitments on specific CSR issues. Announcements such as McDonald’s Corporation [addressing](#) sow housing in 2012 and General Mills Inc. [switching](#) to a cage-free egg supply in 2015 demonstrated that activists instigated the changes.

That began to change more recently as companies evolved from reactive responses to proactive stances, integrating multiple CSR issues into wide-ranging reports. By 2018, all of the top 15 largest food companies — across all sectors — published annual or biannual reports that outlined their commitments. Major brands like [Costco Wholesale Corporation](#) and [Nestlé USA](#) shifted away from specialized ad hoc responses to multifaceted pledges with deadlines extending more than a decade.

On August 19, 2019, Business Roundtable [updated](#) its “Purpose of a Corporation” statement to reflect the importance of CSR. “Companies should serve not only their shareholders, but also deliver value to their customers, invest in employees, deal fairly with suppliers and support the communities in which they operate.” Since then, environmental, social and governance (ESG) has become a standard part of shareholder meetings. Farm Animal Investment Risk and Return (FAIRR) [claims](#) to manage \$40 trillion in funds and scrutinizes its investments based on ESG criteria.

The recent United Nations Food Systems Summit underscored how much CSR policies have evolved. Brands as diverse as [ADM](#), [JBS USA](#), [PepsiCo](#) and [Restaurant Brands International](#) affirmed multifaceted commitments with goals extending to 2050. Proactive, measurable goals demonstrate that these brands have shifted from using CSR as a reactive stopgap to a fundamental and strategic part of doing business — defining what “good” means for their brands.