Ben & Jerry’s Homemade Holdings Inc. (Ben & Jerry’s)

Background on Ben & Jerry’s

Ben & Jerry’s is an American manufacturer of ice cream, frozen yoghurts, and sorbets. The company was founded in 1978 and is headquartered in Burlington, Vermont. It operates globally as a subsidiary of Unilever. While Ben & Jerry’s is a subsidiary of Unilever, it is a private company and it is estimated that it employed 440 people and had revenues of US$132 million in 2015¹.

How did Ben & Jerry’s come to start thinking about context?

The focus on socio-ecological issues has been a central business consideration within Ben & Jerry’s since 1988 when it became one of the first companies in the world to place an equal importance on both its social and economic missions². In 2002, the company launched its first carbon offset program within its Vermont manufacturing facility³. In 2012, Ben & Jerry’s was certified as a **B-Corporation**. B-Corporations are for-profit companies that are certified by the non-profit **B Lab** and meet rigorous standards relating to the company’s social and environmental performance, accountability, and transparency⁴. Also in 2012, the company began the process of mapping its entire value chain to support it in formulating a strategy that would better link its prosperity business model with all its partners within its value chain⁵. In 2014, Ben & Jerry’s began to work with the **MultiCapital Scorecard®** in an attempt to measure, manage, and report its performance relative to the threshold-based sustainability approaches being developed by the **Center for Sustainable Organizations**⁶.

Then in 2015, Ben & Jerry’s introduced an internal price on carbon with the aim of using the generated revenues to invest in the GHG emission reduction projects it was implementing. Ben & Jerry’s also signed the White House American Business Act on Climate Pledge ahead of COP21. Later that year, Ben & Jerry’s sent a delegation of 25 employees down to Greensboro, North Carolina, to learn more about structural racism within the U.S. The company felt that it had to do more than just wish for progress due to the increasing chorus of voices highlighting the urgency of establishing equity for people of colour.

What does context look like at Ben & Jerry’s?

1. **ACKNOWLEDGE** the need to operate within global, regional, and/or local socio-ecological thresholds.

GHG emissions: Ben & Jerry’s believes that it operates in a world where the impacts of climate change are becoming real, and acknowledges that it can no longer deny that man-made GHG emissions are having an impact on this ecological issue. The company also acknowledges that scientific evidence supports the conclusion that global warming is real. It has committed to cutting its GHG emissions in line with what is required to keep global temperatures from rising an additional 2°C above pre-industrial levels. However, Ben & Jerry’s has yet to explicitly commit to working with its value chain to support their adherence to this threshold.

Wages: Ben & Jerry’s acknowledges that economic justice starts with its own employees. Ben & Jerry’s has committed to paying all its Vermont-based full-time workers a livable wage. The company states that one of the reasons it has only committed to paying its Vermont-based employees a livable wage is that calculating a livable wage for its global operations is an extensive undertaking. It does believe that the wages it is paying employees at other manufacturing sites meet its livable wage criteria based on local standards. The company has yet to commit to working with its wider value chain to support their adherence to this threshold.

Human Rights: Ben & Jerry’s currently only discusses the importance of this issue in general terms, but it does acknowledge that racial diversity aligns with the company’s social mission. The company has not yet committed to operating within a racial diversity threshold, but rather aims...

---

to build a business culture where racial diversity is a source of strength. It has yet to commit to working with its wider value chain to support their adherence to this threshold.

Other thresholds: Ben & Jerry’s acknowledges the importance of other socio-ecological issues including water use, energy use, and waste but does not yet discuss them with reference to thresholds.

2 Transparently understand and PRIORITISE a set of focus areas in relation to key socio-ecological trends at the global, regional, and/or local level.

<table>
<thead>
<tr>
<th>GHG EMISSIONS</th>
<th>WAGES</th>
<th>HUMAN RIGHTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>● ● ● ● ● ●</td>
<td>● ● ● ● ● ●</td>
<td>● ● ● ● ● ●</td>
</tr>
</tbody>
</table>

It is not transparently clear how Ben & Jerry’s prioritises its key socio-ecological issues but it appears to use what we call a ‘classic’ materiality approach whereby the expectations of its stakeholders are used to prioritise its focus areas. Ben & Jerry’s does undertake Life Cycle Assessments on its products but it has yet to confirm if it uses these as part of its formal prioritisation process of key socio-ecological issues.

GHG emissions: The company prioritises this ecological issue as it recognises that its products are sourced from agricultural ingredients that emit GHG’s as part of the production process and that its final product is frozen, resulting in higher GHG emissions. Ben & Jerry’s completed a Life Cycle Assessment in 2015 to reveal the impacts that its products were having on this threshold. This assessment highlighted that 41% of GHG emissions from its products can be traced back to the cows that create the common ingredient within its products. In response to this, Ben & Jerry’s explains the initiative that it is pursuing to expand its sphere of influence within its agricultural value chain around the impacts it has on this threshold.

Wages: Ben & Jerry’s recalculates how its livable wage relates to the actual costs of living in Vermont on an annual basis but it has yet to outline if it intends to deepen its understanding of livable wages more formally to its other operational sites. It recognises that a livable wage allows its employees to have a quality of life that includes decent housing, health care, transportation, food, recreation, savings, and miscellaneous expenses. It has not yet explained if it intends to expand its sphere of influence with respect to this threshold to its value chain.

Human Rights: Ben & Jerry’s recognises that its current workforce is 94% white and that this is consistent with the racial diversity figures (95%) of the state in which it is headquartered. However, the company points out that this does not mean that it should not prioritise this
social issue⁷. Ben & Jerry’s recognises that its employees have experienced racism in their lives and has therefore committed to developing a deeper understanding of this social issue as it relates to its operations⁷. It has not yet explained if it intends to expand its sphere of influence with respect to this threshold to its value chain.

### 3 SET STRATEGY AND GOALS

by transparently articulating the current performance gap and what portion of this gap the business will address.

<table>
<thead>
<tr>
<th>GHG EMISSIONS</th>
<th>WAGES</th>
<th>HUMAN RIGHTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>●●●●●●●●</td>
<td>●●●●●●</td>
<td>●●●●●●</td>
</tr>
</tbody>
</table>

GHG emissions: Ben & Jerry’s has committed to reduce its absolute GHG emissions by 80% by 2050⁵. However, the company has not outlined the assumptions or rationale behind the development of its goal. The company has committed to developing a contextual GHG emissions goal through the Science-Based Targets initiative but has yet to outline a timeframe for the development of this goal¹⁰. It has also yet to set a goal that includes how it aims to influence its value chain to help it adhere to the limits of this threshold.

Wages: Ben & Jerry’s has not yet set a formal goal for its livable wage commitment but it has established a method for calculating a livable wage benchmark for its facility in Vermont⁹. It has also yet to set a goal to measure its influence over its value chain to help them adhere to the limits of this threshold.

Human Rights: Ben & Jerry’s has not yet set a formal goal associated with this threshold but has committed to work to better understand imbalances within its workforce through the creation of an internal equity team. The company has not yet explained if this work will also include a broader understanding of its workforce diversity in relation to where it operates⁵,⁷.

Other thresholds: Ben & Jerry’s has not yet set contextual goals in relation to any other thresholds.

---

4. **Transparently TRACK** performance against realistic trajectory targets.

<table>
<thead>
<tr>
<th>GHG EMISSIONS</th>
<th>WAGES</th>
<th>HUMAN RIGHTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>●●●●●●</td>
<td>●●●●</td>
<td>●●●●●●</td>
</tr>
</tbody>
</table>

GHG emissions: While Ben & Jerry’s has a history of reporting its performance against this threshold, it only provides a short description of its performance relative to the previous year⁵. The company has not yet developed a set of realistic set of annual trajectory targets that could be used to monitor its progress towards achieving its goal, or stated if it intends to develop metrics or targets that could be used to monitor the effectiveness of its influence in supporting its value chain’s adherence to the limits of this threshold.

Wages: Ben & Jerry’s has a history of reporting its performance (current hourly wage paid) against both the national U.S. and Vermont’s minimum wage⁵. As it has not set any formal goals for this threshold, the company has yet to set realistic trajectory targets or indicate if it would set metrics or targets that could be used to monitor the effectiveness of its influence in supporting its value chain’s adherence with this threshold.

Other thresholds: Ben & Jerry’s reports its performance against other socio-ecological issues including water use, energy use, waste, and human rights but does not yet report its progress in relation to their associated thresholds.

What is the road ahead for context at Ben & Jerry’s?

Ben & Jerry’s has said that it will be actively looking at the potential steps it can start taking in the months and years ahead to better understand what it needs to do in relation to racial diversity within its company structures. With the COP21 agreement in place, Ben & Jerry’s has committed to developing a contextual GHG emissions goal and continue its advocacy work to hold countries and businesses accountable to the terms agreed in Paris⁷,¹⁰.