Stern Produce
Sustainability Assessment & Performance Reporting

Nagelle Fernandes
SOS 593: Applied Culminating Experience Project
28 April 2017
Project Description

Project Partner:
Stern Produce *Sustainability Coordinator*

- Key Performance Indicators (KPIs)
- Reporting pathways
- Recommendations
Sustainability Connection

Carries Local Products
Donates Hours and Product to Local Charities and Non-Profits

Sustainability

Sends Compost and Organic Waste for Livestock Feed
Uses 100% Compostable Recyclable Fiberboard Boxes
Pallet Recycling Program
All Printed Material is Created Using Soy Ink
Performs Annual Eco-Audits to Track Resources

PRO*ACT USA, 2016
Arizona Fresh Together (AFT) Purchasing Program

L*ocal
Produced within 150 miles from a Stern Facility

O*rganic
USDA Certified Organic Products

S*ustainable
Farms/Producers with 3rd party certifications such as: Certified Naturally Grown

M*ade
Items made by Local companies but not necessarily sourced locally
Approach

- Stern Produce self-assessment environmental tools
- Scientific research
- Corporate Sustainability Reports (CSR)
  - Food industry or major multinational companies
Voluntary Environmental Programs (VEPs)

Self-assessment tools

- Green Business Bureau (GBB) certification
- PRO*ACT Sustainability Portal
  - Lack of explanation
  - Terminated
Reviewed Corporate Sustainability Reports (CSR)
5 Sustainability Focus Areas

- Stern Produce’s 3 Tenets of Sustainability, Positively Impacting:
  
  **BUSINESS**
  - Sustainable Procurement
  - Fleet management
  
  **PEOPLE**
  - Organizational continuity
  - Local Communities
  
  **EARTH**
  - Sustainable building operations
  - Fleet management
POSITIVELY IMPACTING BUSINESS
- Sustainable Procurement
  - Arizona Fresh Together
  - Business supplies
- Fleet Management

POSITIVELY IMPACTING EARTH
- Sustainable Building Operations
  - Energy & Water Consumption
  - Resource Recovery
- Fleet Management

POSITIVELY IMPACTING PEOPLE
- Organizational Continuity
  - Employee Programs
  - Occupational & Food safety
- Local Communities
  - Arizona Fresh Together
  - Corporate Giving
<table>
<thead>
<tr>
<th>#</th>
<th>Sustainability Focus Areas</th>
<th>Potential KPIs &amp; Metrics</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>BUSINESS</td>
<td></td>
</tr>
<tr>
<td>1.1</td>
<td>Sustainable Procurement</td>
<td></td>
</tr>
<tr>
<td>1.1.1</td>
<td>Local Commodities (i.e. produce)</td>
<td>Percentage of commodity supplied from local sources (%)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Percentage of certified organic produce procured (%)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Percentage of total food sales from certified organic products (%)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>*Percentage of seafood supplied which is certified by the Marine Stewardship Council (or equivalent) (%)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Percentage of certified sustainable produce procured (%)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>*Percentage of cage-free eggs on total number of egg products sold (%)</td>
</tr>
<tr>
<td>1.1.2</td>
<td>Business office operations</td>
<td>*Average percentage of purchased office and facility supplies with recycled content (%)</td>
</tr>
<tr>
<td>1.2</td>
<td>Fleet Management</td>
<td></td>
</tr>
<tr>
<td>1.2.1</td>
<td>Efficiency and Routing</td>
<td>Number of miles driven (day/week/month/annual)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Average cases delivered per mile (unit/miles)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Backhaul Case Volume (unit)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Diesel fuel consumption (gallon)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Cost of Diesel fuel consumption ($)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Motor Gasoline consumption (gallon)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Cost of Motor Gasoline consumption ($)</td>
</tr>
<tr>
<td>1.2.2</td>
<td>Fleet Safety</td>
<td>Number of delivery road accidents</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Annual Accident Frequency Ratio (AFR)</td>
</tr>
</tbody>
</table>
Hart & Milstein’s Sustainable Value Framework (SVF)

**Innovation & Clean Technology**
Develop the sustainable competencies for the future

**Pollution Prevention**
Minimize waste and emissions from company operations

**Product Stewardship**
Integrate stakeholder views into business process

**Sustainability Visioning**
Create a shared roadmap for meeting unmet needs
Innovation & Clean Technology

Nonexistent:
- Solar-charging stations for fleet reefer units

Pollution Prevention

Established:
- Energy efficiency
- Resource Recovery
  - Recycling
  - Non-salable donations

Emerging:
- Management software tools

Sustainability Visioning

Established:
- Sustainability coordination
- Donations (salable & non-salable)

Emerging:
- Community Needs
- Formal sustainability goals

Product Stewardship

Emerging:
- Arizona Fresh Together
- Voluntary Environmental Programs
  - PRO*ACT Sustainability Portal
  - Platinum Green Business Bureau
- Sustainability reporting
• Limited options → Low ROI
• Closed-loop operations

• Standard Operating Procedures

EPA SmartWay
Takeaways & Future Work
Thank You!