

2013 METHODOLOGY REPORT

Business Benchmark on Farm Animal Welfare: 2013 Methodology Report

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Appendix 1: Glossary

The Business Benchmark on Farm Animal Welfare (BBFAW) is designed to improve corporate reporting on farm animal welfare management policies, practices, processes and performance, and, over time, to contribute to improvements in the farm animal welfare practices and performance of food companies. It is the first global measure of farm animal welfare management, policy commitment and disclosure in food companies and is designed for use by investors, companies, NGOs and other stakeholders interested in understanding the relative performance of food companies in this area.

The programme is supported by two principal partners, Compassion in World Farming and the World Society for the Protection of Animals (WSPA), through the provision of technical expertise and guidance, funding and practical resources.

More information on the programme can be found at www.bbfaw.com

CHAPTER 1: INTRODUCTION

The Business Benchmark on Farm Animal Welfare (BBFAW): 2013 Report¹, published in December 2013, provides an independent assessment of how 70 of the world's largest food companies are managing and reporting on farm animal welfare, and assesses the progress that has been made over the period August/September 2012 to August/September 2013².

This Methodology Report, which accompanies the 2013 Business Benchmark Report, describes the framework used to evaluate companies on their farm animal welfare management and reporting. It also discusses changes to the framework and methodology since the first Benchmark³.

This report comprises the following Chapters:

- Chapter 2: Background to the Benchmark
- Chapter 3: The structure of the Benchmark
- Chapter 4: The assessment approach
- Chapter 5: The Benchmark criteria
- Chapter 6: The companies covered by the 2013 Benchmark
- Chapter 7: The future development of the Benchmark

¹ Nicky Amos and Rory Sullivan (2013), *The Business Benchmark on Farm Animal Welfare: 2013 Report* (BBFAW, London; <http://www.bbfaw.com/wp-content/uploads/2013/12/BBFAW-Report-2013.pdf>).

² The first BBFAW report, which presented the results of company performance as at August/September 2012, was published in February 2013 (Nicky Amos and Rory Sullivan (2013), *The Business Benchmark on Farm Animal Welfare: 2012 Report* (BBFAW, London; http://www.bbfaw.com/wp-content/uploads/2013/03/BBFAW_Report_2012.pdf).

³ A methodology report was also prepared to accompany the first Benchmark report. See Nicky Amos and Rory Sullivan (2013), *The Business Benchmark on Farm Animal Welfare: 2012 Methodology Report* (BBFAW, London; http://www.bbfaw.com/wp-content/uploads/2013/02/BBFAW_Methodology_Report_2012.pdf).

CHAPTER 2: ABOUT THE BUSINESS BENCHMARK ON FARM ANIMAL WELFARE

2.1 Why benchmark food companies?

Farm animal welfare is an increasingly important issue for companies across the food sector, including retailers, service companies, manufacturers, processors and producers. This has been driven by a range of factors, including regulation, consumer concern, pressure from animal welfare organisations, and the brand and market opportunities for companies that adopt higher farm animal welfare standards⁴. Yet, despite these drivers, farm animal welfare as a management issue is relatively immature. While some of the more progressive farm animal welfare NGOs have worked with companies to make them aware of the opportunities and threats associated with farm animal welfare-related issues, and to support the development of appropriate practices and tools, there remains a lack of clarity and consensus around how companies should manage farm animal welfare-related issues.

2.2 Programme objectives

The Business Benchmark on Farm Animal Welfare (BBFAW) is designed to help drive higher farm animal welfare standards in the world's leading food businesses. Its aims are:

- To provide investors and other stakeholders with the information they need to understand the business implications of farm animal welfare for the companies in which they are invested.
- To provide investors, governments, academics, NGOs, consumers and other stakeholders with an independent, impartial and reliable assessment of individual company efforts to adopt higher farm animal welfare standards and practices.
- To provide guidance to companies interested in improving their management and reporting on farm animal welfare issues.

The key tool for the delivery of these objectives is an annual benchmark of food companies' performance on farm animal welfare ('the Benchmark'). Beyond the Benchmark, BBFAW produces a range of guidance and other materials for companies and investors on issues such as the business case for farm animal welfare, best practices in management and reporting, and new/forthcoming farm animal welfare-related regulations and policies⁵. BBFAW also routinely engages with companies, investors and other stakeholders on farm animal welfare-related issues.

⁴ Katy Read (2011), *Farm Animal Welfare: The Business Case for Action*. BBFAW Investor Briefing No. 2 (October 2011) (BBFAW, London); Rory Sullivan and Nicky Amos (2012), *Farm Animal Welfare Disclosure Framework*. BBFAW Investor Briefing No. 5 (June 2012) (BBFAW, London); Mia Fernyhough (2012), *Farm Animal Welfare and the Consumer*. BBFAW Investor Briefing No. 7 (October 2012) (BBFAW, London). These can all be obtained from www.bbfaaw.com

⁵ See, further, www.bbfaaw.com

2.3 Governance

BBFAW has been developed with the support and expertise of leading farm animal welfare organisations, Compassion in World Farming and the World Society for the Protection of Animals (WSPA).

It is governed by an independent Secretariat. In this role, Nicky Amos CSR Services Ltd is responsible for providing a Programme Director and the other resources necessary to coordinate the development of the Benchmark criteria, company research and evaluation services, the accompanying dialogue with companies and other stakeholders.

The development of the Benchmark is overseen by a Technical Working Group comprising technical experts, researchers and food business managers, and expert advisors on investor engagement and corporate responsibility. The members of the Technical Working Group for the 2013 benchmarking process are presented below.

2013 Technical Working Group Members

- Nicky Amos, Programme Director and Advisor on Corporate Responsibility
- Dr Tracey Jones, Director of Food Business, Compassion in World Farming
- Dr Lesley Lambert, Chief Policy Advisor, Humane and Sustainable Agriculture, WSPA
- Chris Gee, External Relations Manager (Corporate), WSPA
- Dr Rory Sullivan, Independent Advisor and Expert on Investor Engagement
- Martin Cooke, International Head of Corporate Engagement, WSPA

2.4 Stakeholder Engagement and the 2013 Benchmark

Since the launch of the 2012 Benchmark, BBFAW has had extensive dialogue with the investment community about how the Benchmark might be made more useful to investors. In addition to one-on-one calls and meetings with investors, we conducted (a) an informal investor survey in May 2013 to understand how investors had used the 2012 Benchmark, and to inform our thinking on how we might make the Benchmark more useful for investors⁶, and (b) a formal consultation in June and July 2013, on the criteria to be used in the 2013 iteration of the Benchmark, on the scope of the Benchmark, and on how the Benchmark could be made more useful to investors and other stakeholders⁷.

⁶ The key findings are presented in Rory Sullivan and Nicky Amos (2013), *How Are Investors Using the 2012 Business Benchmark on Farm Animal Welfare? BBFAW Investor Briefing No. 10 (June 2013)* (BBFAW, London; http://www.bbfaw.com/wp-content/uploads/2010/08/Briefing_No10_How_are_investors_using_the_2012_Benchmark.pdf).

⁷ BBFAW (2013), *Consultation on 2013 Evaluation Criteria* (BBFAW, London; http://www.bbfaw.com/wp-content/uploads/2010/08/BBFAW_Consultation_on_2013_Benchmark.pdf); Nicky Amos and Rory Sullivan (2013), *Summary of Consultation on 2013 Benchmark Criteria. BBFAW Investor Briefing No. 11 (September 2013)* (BBFAW, London; http://www.bbfaw.com/wp-content/uploads/2010/08/Briefing_No11_Summary_of_Consultation_on_2013_Benchmark_Criteria.pdf).

For the May 2013 survey, we emailed approximately 50 individuals working for investment-related organisations (investment managers, asset owners, research providers) to assess whether they had used the Benchmark in their company engagement or their investment processes, and to understand how useful the Benchmark was to them in this process. These individuals were chosen because they had registered on the BBFAW website and, in most cases, they had contributed to or participated in one or more BBFAW events (e.g. webinars, seminars, consultations). We subsequently conducted a number of one to one telephone interviews and/or had a more detailed email correspondence with approximately 10 of these individuals.

For the formal consultation in June and July 2013, we received feedback from 17 stakeholders in total. We had detailed meetings and conference calls with ten investors and investment-related organisations (e.g. research organisations) in the UK, France, Belgium, and Germany, and one face-to-face meeting with a food retailer in Belgium⁸. We also received comprehensive written responses from four food companies in Switzerland and the UK, one UK-based NGO, and one investor in North America⁹.

The overall consensus from both consultation processes was that the Benchmark will play an important role in encouraging corporate reporting on farm animal welfare management policies, practices, processes and performance and, over time, contribute to improvements in the farm animal welfare practices and performance of food companies. The contributors to both processes raised a number of specific suggestions about the design and presentation of the Benchmark. The main changes that we have made in response to these suggestions are discussed in Chapters 3 to 6, and those issues that we plan on addressing in future iterations of the Benchmark are discussed in Chapter 7.

⁸ The organisations that we met or spoke with were: Aviva Investors, Kepler Chevreux, Newton Investment Management, F&C, Generali Investments, Vigeo, BNP Paribas, Eurosif, Oekom, Rathbone Greenbank Investments, and Delhaize.

⁹ The organisations that provided us with written responses were: The Co-operative Food, Nestle, Subway, Co-op Switzerland, Centre for Animals and Social Justice, and the Interfaith Center on Corporate Responsibility (ICCR).

CHAPTER 3: THE STRUCTURE OF THE BENCHMARK

3.1 Alignment with Corporate Responsibility Reporting

The starting point for BBFAW was that the majority of companies will want to report on farm animal welfare in a similar manner to other corporate responsibility issues. For any particular social or environmental issue, investors and other stakeholders generally expect companies to provide¹⁰:

- Information on the company's activities to the extent that such information is necessary to put its social and environmental impacts into context.
- A description of the company's governance and management arrangements for the environmental or social issue(s) in question.
- Details of the business risks and impacts of the issue(s) in question, together with a clear statement on the financial implications – positive or negative – of these issues for the business.
- Details of their policies on the issue(s) in question.
- A description of the company's engagement with relevant stakeholders on the issue(s) in question.
- Their objectives, targets and key performance indicators for the issue(s) in question, together with a discussion of how they intend to deliver on these objectives and targets.
- An assessment of their progress towards meeting their objectives and targets, together with a discussion of the factors that have affected their performance.
- An assessment of their performance against their policies and against other commitments (e.g. codes of conduct) that they have made.
- Forward-looking information on how performance is expected to evolve over time and the key factors (changes in the business environment, public policy and regulation, consumer trends, stakeholder pressures, etc.) that may affect performance.

3.2 Benchmark Structure

The Benchmark has been designed to align with the reporting framework above. The questions – see further Chapter 5 – cover three core areas as follows:

- **Management Commitment** – description of the company's policies and positions on farm animal welfare, including specific commitments on critical animal welfare measures (e.g. the avoidance of close confinement, long distance live transportation);

¹⁰ Rory Sullivan (2011), *Valuing Corporate Responsibility: How Do Investors Really Use Corporate Responsibility Information?* (Greenleaf Publishing, Sheffield).

- **Governance and Management** – board and senior management oversight of farm animal welfare strategy and operations, performance measurement, targets and objective setting, internal controls, the adoption of assurance standards, and reporting on progress against policy and objectives; and
- **Leadership and Innovation** – investment in projects to advance farm animal welfare; external awards and accreditations; and advocacy on farm animal welfare.

3.3 Farm Animal Welfare-Specific Issues

While, in many ways, farm animal welfare can be reported in a similar manner to other corporate responsibility issues, there are a number of specific issues and data that should also be reported by companies¹¹. Those that are relevant to the Benchmark are set out briefly here:

Management Commitment and Policy

1. Companies should provide a general account of why farm animal welfare is important to their business, including a discussion of the business risks and opportunities. Examples of the business issues that may be relevant include compliance with legislation and relevant voluntary and industry standards, security and sustainability of supply, productivity, waste, stakeholder/consumer expectations, pricing, risk management, reputation management, market opportunities, and business development¹².
2. Companies should publish an overarching farm animal welfare policy that sets out their core principles and beliefs on farm animal welfare, and that explains how these beliefs are addressed and implemented throughout the business. The policy should include:
 - a. A clear statement of the reasons why farm animal welfare is important to the business.
 - b. A clear position with regard to its expected standards of farm animal welfare.

¹¹ For a more detailed discussion of reporting on farm animal welfare, see Rory Sullivan and Nicky Amos (2012), *Farm Animal Welfare Disclosure Framework*. BBFAW Investor Briefing No. 5 (June 2012) (BBFAW, London; http://www.bbfa.com/wp-content/uploads/2010/08/3.-BBFAW-Investor-Briefing-No.5_Farm-Animal-Welfare-Disclosure-Framework.pdf).

¹² Katy Read (2011), *Farm Animal Welfare: The Business Case for Action*. BBFAW Investor Briefing No. 2 (October 2011) (BBFAW, London; http://www.bbfa.com/wp-content/uploads/2010/08/Briefing-No2_FAW-The-Business-Case-for-Action1.pdf).

- c. A description of the processes (e.g. senior management oversight, commitments to continuous improvement, performance monitoring, corrective action processes, public reporting on performance) in place to ensure that the policy is effectively implemented.
 - d. A clear definition of the scope of the policy, specifically whether the policy applies to all relevant animal species or not, whether the policy applies in all geographies or not, and whether the policy applies to all products the company produces, manufactures, sells or not.
- 3. Companies should set out their positions on priority farm animal welfare issues, including their positions on the close confinement and intensive systems for livestock, the use of meat from genetically modified or cloned animals or their progeny or descendants, growth promoting substances, routine mutilations, the use of meat from animals that have not been subjected to pre-slaughter stunning, and long distance live transportation.
- 4. As relevant to their activities and operations, companies should also set out their positions on the production and/or sale of controversial products such as foie gras, white veal, barren battery eggs and the religious slaughter of animals.

Governance and Policy Implementation

- 5. Companies should specify who (i.e. the position/title of the relevant individual(s)) is responsible for managing farm animal welfare-related issues on a day-to-day basis, and who is responsible at senior management level for overseeing the company's farm animal welfare policy and its implementation.
- 6. Companies should:
 - a. Publish the objectives they have set for farm animal welfare. These may include process measures (e.g. to formalise their farm animal welfare management systems, to introduce audits) and performance measures (e.g. to phase out specific non-humane practices, to ensure that specific standards are met for all species).
 - b. Specify the performance measures they are using to assess performance.
 - c. Explain how these objectives and targets are to be delivered including, as appropriate, details of the capital and other costs that are expected to be incurred, and the timeframe for the delivery of these objectives and targets.
 - d. Report on their performance against the objectives and targets they have set for themselves.

7. Companies should describe their internal systems and controls for farm animal welfare. This should include discussion of:
 - a. Training in farm animal welfare for relevant employees.
 - b. The actions to be taken in the event of non-compliance with the farm animal welfare policy.
 - c. Pre-employment assessments (e.g. the qualifications and experience expected of employees on farm animal welfare).
 - d. Monitoring processes (e.g. CCTV, whistle-blowing processes, testing procedures) in place to ensure compliance with the farm animal welfare policy.
8. Companies should describe how they implement their farm animal welfare policy through their supply chains. This should include discussion of:
 - a. How farm animal welfare issues are integrated into supplier contracts or codes of conduct, including (as relevant) how farm animal welfare issues are considered in performance reviews, monitoring and auditing.
 - b. How supplier performance on farm animal welfare is promoted.
 - c. How employee and supplier competencies to effectively manage farm animal welfare are developed.
9. Companies should report on the welfare outcomes for their animals and for the animals in their supply chains. In relation to outcomes, companies should, where relevant, state whether they assure the welfare of their farm animals to a company-specific scheme, to a certified national assurance scheme or to a specific welfare scheme such as RSPCA Freedom Food, Label Rouge, GAP 5-step or the Soil Association's organic standards.

Leadership and Innovation

10. Companies should indicate whether they are involved in research and development programmes to advance farm animal welfare, or industry or other initiatives directed at improving farm animal welfare.
11. Companies should describe how they engage with their customers or clients on farm animal welfare.

3.4 Weightings

The maximum Benchmark score is 180, awarded across 18 questions, with the scores allocated as follows:

Management Commitment and Policy:	65 points (36% of the total)
Governance and Management:	85 points (47%)
Leadership and Innovation:	30 points (17%)

The scores for each individual question/sub-question, together with a detailed discussion of how each question/sub-question is assessed, are presented in Chapter 5.

3.5 Changes from the 2012 Benchmark

The overall structure of the 2013 Benchmark is the same as the 2012 Benchmark. The one significant change (discussed further in Chapter 5) is the addition of a new question (Question 13) on internal processes to the Governance and Management section of the Benchmark criteria. The effect of this change is to increase the maximum number of points in the Benchmark from 170 to 180 and to increase the maximum number of points for the Governance and Management section from 75 to 85, representing an increase in the proportion of points for this section from 44 to 47% of the total score.

CHAPTER 4: THE ASSESSMENT APPROACH

4.1 Focus on the Corporate Entity

The focus of the evaluation was the corporate entity (i.e. the parent company) rather than subsidiaries. This reflects the aim of the Benchmark to assess how each company as a whole manages farm animal welfare issues. The Benchmark did (as is seen in Chapter 5) however give credit for the actions (e.g. innovative practices and processes) of subsidiaries or for actions in specific geographic regions.

4.2 Reliance on Published Information

Each company was assessed on the basis of the information that was publicly available at the time of its assessment (company assessments were conducted in August and September 2013). The information reviewed for each company included formal reports (e.g. annual reports, corporate responsibility reports), the information on the company's corporate and consumer websites, and the information provided in documents such as press releases and frequently asked questions¹³. We conducted similarly thorough reviews of the websites of company subsidiaries and brands, and, where relevant, postings on social media.

We did not award scores for information that was not in the public domain for two reasons. The first is that encouraging companies to provide a better account of their approach to farm animal welfare is a core objective of the Business Benchmark on Farm Animal Welfare. The second is that we wanted to ensure that companies were assessed consistently, and we wished to avoid any suggestion that companies that work with Compassion in World Farming and/or the World Society for the Protection of Animals were in any way favoured by the assessment methodology.

We did not give credit for information provided on other websites but that was not provided on companies' own websites. For example, a number of the companies reviewed had received farm animal welfare-related awards but did not refer to these awards on their own websites. Our rationale was that the lack of company acknowledgement of awards (or other positive developments) suggests that the company is either not interested in or aware of these positive developments and that this, in turn, raises questions about the level of attention being paid to farm animal welfare more generally.

¹³ One of the reasons for such a broad approach to information gathering was that, for most companies, reporting on farm animal welfare is rarely consolidated in a single location. For many of the companies researched for the 2013 Benchmark, their reporting on farm animal welfare was unstructured - with disparate references to policies and programmes across their websites or obscured within FAQs and press releases, and with inadequate signposting to relevant sources of information. We also found that information was incomplete and inconsistent (for example, some companies included farm animal welfare in one year's corporate responsibility report but not in subsequent reports).

4.3 Focus on Farm Animal Welfare, not Corporate Responsibility/Sustainability

The focus of the Benchmark was on farm animal welfare rather than on corporate responsibility or sustainability. We, therefore, did not give credit for general corporate responsibility or sustainability disclosures unless the company explicitly linked these to farm animal welfare and/or it was clear that farm animal welfare was an integral part of the company's CSR/sustainability management system.

4.4 Company Feedback

Company reports based on our interim findings and scores were emailed to companies in October 2013. In the period October-November 2013, 30% of the companies assessed responded with written comments or requested further dialogue on the assessment approach and scoring. As a result of these discussions, the scores for eight companies were revised. It is important to stress that company scores were revised only in situations where there had been errors in the assessment process, either because of incorrect scores being awarded or because information that was in the public domain at the time of the assessment (August/September 2013) had been overlooked.

The final confidential company reports, showing individual scores and comments for each question, as well as overall company scores and comparable sector scores, were sent to the companies in December 2013.

4.5 Changes from the 2012 Benchmark

While there were no changes in the assessment approach compared to the 2012 Benchmark, we did pay more attention to when the information was published by companies. As a general rule, unless the company clearly indicated that the information remained relevant and current, we did not give credit for information that was more than two years old. For those companies where we did decide to award points despite the date of publication being unclear, we have told these companies that we will not award points in the 2014 Benchmark unless the company updated the information and/or confirmed that the information remained current.

CHAPTER 5: ASSESSMENT CRITERIA: 2013

5.1 2013 Criteria and Explanatory Notes

The 2013 assessment criteria are presented below. Each question is supported by a rationale, the scoring framework and explanatory notes on how the assessment was conducted, including any issues or questions identified in the 2013 assessment.

Table 1: 2013 Assessment Criteria

Management Commitment and Policy		
Question 1.	Does the company acknowledge farm animal welfare as a business issue?	
<i>Rationale</i>	Acknowledging farm animal welfare as a business issue is an important first step towards implementing a comprehensive approach to farm animal welfare management. It is good practice for food companies to identify whether and why farm animal welfare is a relevant issue for the business.	
<i>Scoring</i>	No evidence that farm animal welfare is regarded as a relevant business issue.	0
	Farm animal welfare is identified as a relevant business issue.	10
	(Max Score 10)	
<i>Explanatory Notes</i>	<ul style="list-style-type: none"> This question was looking for an acknowledgement by the parent company that farm animal welfare is a business issue. Companies that acknowledged farm animal welfare as a business issue and/or set out the reasons why farm animal might be a business issue (e.g. because of public or customer concerns, security and sustainability of supply, cost) were awarded the maximum points. The score did not take account of the specific reasons advanced. The score did not take account of the importance assigned by companies to farm animal welfare (e.g. relative to other corporate responsibility issues). We recognise that the importance assigned by companies to farm animal welfare depends on factors such as the nature of their business, their existing management practices, the other business risks and priorities they need to manage, and their perceptions of customer and stakeholder pressure for action. 	

Question 2.	Does the company publish an overarching corporate farm animal welfare policy (or equivalent)?	
Rationale	It is good practice for companies to formalise their approach to animal welfare in a policy (or equivalent document such as a statement of guiding principles, a code of practice or a sourcing charter). While the existence of a policy may not provide a guarantee of implementation, the absence of a policy is a clear sign that farm animal welfare is not on the business agenda.	
Scoring	No evidence of a formal policy statement (or equivalent) on farm animal welfare.	0
	Broad commitment to farm animal welfare in a policy statement (or equivalent) but no description of how the policy is to be implemented.	5
	Broad commitment to farm animal welfare within a policy statement (or equivalent) and a description of the processes in place to ensure that the policy is effectively implemented.	10
	(Max Score 10)	
Explanatory Notes	<ul style="list-style-type: none"> The assessment did not differentiate between companies that published stand-alone farm animal welfare policies and companies that incorporated farm animal welfare into wider responsible sourcing or sustainability policies or codes of practice. Companies that published a clear statement of commitment to farm animal welfare and/or farm animal welfare-related principles that provided a starting point for the company's accountability to its stakeholders were awarded a score of 5 points. Companies that supplemented these commitments or principles with details of how these were to be implemented were awarded a score of ten points. To score maximum points, company farm animal welfare policies needed to include most/all of the following: <ul style="list-style-type: none"> — A clear statement of the reasons why farm animal welfare was important to the business (including both the business case and the ethical case for action) — A commitment to compliance with relevant legislation — A clear position with regard to expected standards of farm animal welfare — A description of the processes in place to ensure that the policy was effectively implemented (e.g. senior management oversight, commitments to continuous improvement, performance monitoring, corrective action in the event that the policy was not being effectively implemented) — A commitment to public reporting on performance. 	

Question 3.	Does the policy statement provide a clear explanation of scope?	
<i>Rationale</i>	Understanding the scope of a policy is important to understand the breadth of a company's commitment to action on farm animal welfare.	
<i>Scoring</i> <i>Geographic scope</i>	Scope not specified	0
	Not specified	0
	Scope is limited to certain specified geographies	2
	Scope is universal across all geographies	5
<i>Species covered</i> <i>Products covered</i>	Not specified	0
	Scope is limited to certain specified species	2
	Scope is universal across all relevant species	5
	Not specified	0
	Scope is limited to own-brand products or ingredients (i.e. the policy does not apply to imported or other brand products)	2
	Scope is universal across own brand, imported and other brand products	5
	(Max Score 15)	
<i>Explanatory Notes</i>	<ul style="list-style-type: none"> • This question was only scored if marks had been awarded for Question 2, i.e. when the company had a published farm animal welfare policy. • The sub-questions on geography, species and products were scored separately (i.e. companies could score up to 5 points in each of the three sub-questions, and the scores for each sub-question did not influence the scores awarded for the other sub-questions). • The question acknowledges that policies can vary from market to market, across species and across product ranges. Companies were given credit if they clearly specified the limits to the application of their farm animal welfare policies. • In some cases, companies used terms such as 'all animals' or 'all products'. For the purposes of this assessment, we took this to mean that the policy had universal application (with respect to animals and products respectively) and companies received 5 points for these sub-questions. 	

Question 4.	Does the company have a clear position on the avoidance of close confinement and intensive systems for livestock (i.e. no sow stalls, concentrated animal feeding operations (CAFOs), feedlots, farrowing crates, single penning, battery cages, tethering, veal crates, force feeding)?	
Rationale	Many of the most significant farm animal welfare concerns result from close confinement practices (such as those listed above). It is good practice for companies to commit to no close confinement of farm animals.	
Scoring	No stated position.	0
	The company has made a partial commitment to the avoidance of confinement but the scope (in terms of geography, species, products) is not clearly defined.	1
	The company has made a partial commitment to the avoidance of confinement and the scope of the commitment (in terms of geography, species, products) is clearly defined.	3
	Universal commitment to avoid confinement across all relevant species, own-brand and other brand products and geographies.	5
	(Max Score 5)	
Explanatory Notes	<ul style="list-style-type: none"> This question was looking for a clear position on the avoidance of close confinement. Simply stating compliance with legislation (e.g. with EU Directives on egg laying hens and sow stalls) was not treated as a proxy for having a clear position on the avoidance of close confinement. The reasons are (a) legislation, even in the EU, does not cover all close confinement practices, (b) a commitment to compliance with legislation does not provide guarantees on performance in countries where such legislation is absent. Companies that stated that they complied with legislation but did not have a formal policy on close confinement were, therefore, awarded zero points. Similarly, simply stating compliance with a farm assurance standard that prohibits close confinement was not treated as a proxy for having a clearly stated position, unless the commitment to avoidance was made explicit. Companies that made a commitment to the avoidance of close confinement but were not clear about the scope (in terms of geography, species, products) were awarded a score of 1 point. Companies that made a commitment to the avoidance of close confinement for a specific product or product range (e.g. using only free-range eggs) were awarded a score of 1 point. 	

Question 5.	Does the company have a clear position on the avoidance of products from farm animals subject to genetic engineering or cloning and/or their progeny or descendants throughout its products?	
Rationale	Both cloning and genetic engineering raise serious animal welfare concerns ¹⁴ .	
Scoring	No stated position.	0
	The company has made a partial commitment to the avoidance of animals subject to genetic engineering or cloning but the scope (in terms of geography, species or products) is not clearly defined.	1
	The company has made a partial commitment to the avoidance of animals subject to genetic engineering or cloning and the scope (in terms of geography, species or products) is clearly defined.	3
	Universal commitment to avoidance of animals subject to genetic engineering or cloning across all relevant species, own-brand and other brand products and geographies.	5
	(Max Score 5)	
Explanatory Notes	<ul style="list-style-type: none"> • This question was looking for a clear position on the avoidance of products from farm animals subject to genetic engineering or cloning and/or their progeny or descendants. • Simply stating compliance with legislation was not treated as a proxy for having a clear position on the avoidance of products from farm animals subject to genetic engineering or cloning and/or their progeny or descendants. The reasons are (a) legislation, even in the EU, does not cover all relevant issues, (b) a commitment to compliance with legislation does not provide guarantees on performance in countries where such legislation is absent. Companies that stated that they complied with legislation but did not have a formal policy were, therefore, awarded zero points. • Similarly, simply stating compliance with a farm assurance standard that prohibits genetic modification was not treated as a proxy for having a clearly stated position, unless the commitment to avoidance was made explicit. • Companies that made a commitment to the avoidance of products from farm animals subject to genetic engineering or cloning and/or their progeny or descendants but were not clear about the scope (in terms of geography, species, products) were awarded a score of 1 point. 	

¹⁴ For a detailed discussion of the animal welfare implications of cloning and genetic engineering, see Peter Stevenson (2012), *Cloning and Genetic Engineering of Farm Animals*. BBFAW Investor Briefing No. 6 (September 2012) (BBFAW, London).

	<ul style="list-style-type: none"> Companies that published general statements on the avoidance of products or ingredients subject to genetic engineering or cloning were not awarded points unless these statements explicitly referred to animals as a part of these products or ingredients. We did not award points to companies that stated that they would not use products from farm animals subject to genetic engineering or cloning and/or their progeny or descendants so long as these were prohibited by legislation or opposed by consumers. That is, we were looking for unqualified rather than qualified commitments.
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Question 6.	Does the company have a clear position on the avoidance of growth promoting substances?	
Rationale	Growth promoting substances are used to increase the muscle (meat) or milk production of animals farmed for food. The use of growth promoting substances can undermine animal welfare, with antibiotics often used to allow animals to be kept in crowded and stressful conditions that do not meet their welfare needs.	
Scoring	No stated position.	0
	The company has made a partial commitment to the avoidance of growth promoting substances, but the scope (in terms of geography, species or products) is not clearly defined.	1
	The company has made a partial commitment to the avoidance of growth promoting substances, but the scope (in terms of geography, species or products) is clearly defined.	3
	Universal commitment to the avoidance of growth promoting substances.	5
	(Max Score 5)	
Explanatory Notes	<ul style="list-style-type: none"> This question was looking for a clear position on the avoidance of growth promoting substances which are typically used to increase the muscle (meat) or milk production of animals farmed for food. Examples include the hormone BST used to increase milk production, hormone feed additives in pig production (e.g. ractopamine) and low dose antibiotics. Simply stating compliance with legislation was not treated as a proxy for having a clear position on the avoidance of growth promoting substances. The reasons are (a) legislation, even in the EU, does not cover all relevant issues¹⁵, (b) a commitment to compliance with legislation does not provide guarantees on performance in countries where such legislation is absent. Companies that stated that they complied with legislation but did not have a formal policy were, therefore, awarded zero points. 	

¹⁵ For example, the use of hormone and antibiotic growth promoters is not permitted by EU legislation. While products treated with hormone growth promoters cannot be imported into the EU, the same, however, is not true of products produced with antibiotic growth promoters.

	<ul style="list-style-type: none"> Similarly, simply stating compliance with a farm assurance standard that prohibits the use of growth hormones was not treated as a proxy for having a clearly stated position, unless the commitment to avoidance was made explicit. Companies that stated that they avoided the use of antibiotics as preventative measures but did not explicitly prohibit their use as growth promoters were not awarded points for this question. Companies with a stated target to reduce the level of growth promoting substances (rather than avoidance) were not awarded points for this question (although they may have scored points for Question 11 if the target/objective had a clear link to farm animal welfare).
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Question 7.	Does the company have a clear position on the avoidance of routine mutilations (castration, teeth clipping, tail docking, toe clipping, dehorning, desnooding, de-winging, disbudding, mulesing, beak trimming)?	
Rationale	Many farm animals are subjected to procedures that alter their bodies, often with no anaesthesia, causing pain and distress. Examples include beak trimming, castration of beef cattle with knives, branding with hot irons, dehorning of dairy cattle with hot irons, and castration and tail docking of pigs.	
Scoring	No stated position.	0
	The company has made a partial commitment to the avoidance of routine mutilations but the scope (in terms of geography, species or products) is not clearly defined.	1
	The company has made a partial commitment to the avoidance of routine mutilations and the scope (in terms of geography, species or products) is clearly defined.	3
	Universal commitment to avoidance of routine mutilations across all relevant species, own-brand and other branded products and geographies.	5
	(Max Score 5)	
Explanatory Notes	<ul style="list-style-type: none"> This question was looking for a clear position on the avoidance of routine mutilations. Simply stating compliance with legislation was not treated as a proxy for having a clear position on the avoidance of routine mutilations. The reasons are (a) legislation does not cover all routine mutilations, (b) a commitment to compliance with legislation does not provide guarantees on performance in countries where such legislation is absent. Companies that stated that they complied with legislation but did not have a formal policy were, therefore, awarded zero points. 	

	<ul style="list-style-type: none"> Similarly, simply stating compliance with a farm assurance standard that prohibits routine mutilations was not treated as a proxy for having a clearly stated position, unless the commitment to avoidance was made explicit. Companies that made a commitment to the avoidance of routine mutilations but were not clear about the scope (in terms of geography, species, products) were awarded a score of one point.
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Question 8.	Does the company have a clear position on the avoidance of meat from animals that have not been subjected to pre-slaughter stunning?	
Rationale	It is essential to render an animal unconscious before it is slaughtered in order for it to be insensible to pain, discomfort and stress, until death occurs.	
Scoring	No stated position.	0
	The company has made a partial commitment to avoid the use of meat from animals that have not been subjected to pre-slaughter stunning but the scope (in terms of geography, species or products) is not clearly defined.	1
	The company has made a partial commitment to avoid the use of meat from animals that have not been subjected to pre-slaughter stunning and the scope (in terms of geography, species, products) is clearly defined.	3
	Universal commitment to avoid the use of meat from animals that have not been subjected to pre-slaughter stunning across all species, own-brand and other branded products and geographies.	5
	(Max Score 5)	
Explanatory Notes	<ul style="list-style-type: none"> This question was looking for a clear commitment to the use of stunning (typically using carbon dioxide or electrical stunning methods) to render animals unconscious immediately prior to slaughter. Simply stating compliance with legislation was not treated as a proxy for having a clear commitment to pre-slaughter stunning. The reasons are (a) legislation may not be comprehensive, (b) a commitment to compliance with legislation does not provide guarantees on performance in countries where such legislation is absent. Companies that stated that they complied with legislation but did not have a formal policy were awarded zero points. Similarly, simply stating compliance with a farm assurance standard that requires pre-slaughter stunning was not treated as a proxy for having a clearly stated position, unless the commitment to avoidance was made explicit. 	

	<ul style="list-style-type: none"> Companies that made a commitment to pre-slaughter stunning but were not clear about the scope (in terms of geography, species, products) were awarded a score of 1 point. Companies that described the actions taken (e.g. the installation of CCTV in abattoirs) but did not make a formal policy commitment to pre-slaughter stunning were awarded a score of zero points for this question. Some companies made exceptions to requirements for pre-slaughter stunning to account for religious concerns (e.g. for Halal meat for Muslim communities and Kosher or Shechita meat for Jewish communities). In these situations, so long as the scope of the exception was clear, companies were awarded 3 points for this question.
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Question 9.	Does the company have a clear position on the avoidance of long distance live transportation?	
Rationale	When being transported, animals can experience hunger, thirst, discomfort, pain, frustration, fear and distress, as well as physical welfare problems including injury, disease, and, in the worst cases, death. For these reasons, transport of live animals should be minimised wherever possible and journeys should be kept as short as possible. Specifically, any transport of a live animal that exceeds 8 hours, from loading to unloading, has been shown to decrease welfare significantly.	
Scoring	No stated position.	0
	The company has made a partial commitment to avoid the use of long distance transport but the scope (in terms of geography, species, products) is not clearly defined.	1
	The company has made a partial commitment to avoid the use of long distance transport and the scope (in terms of geography, species or products) is clearly defined.	3
	Universal commitment to avoidance of long distance live transportation across all species, own-brand and other branded products and geographies.	5
	(Max Score 5)	
Explanatory Notes	<ul style="list-style-type: none"> This question was looking for a clear commitment to the avoidance of long distance live transportation, where long distance was defined as eight hours or more from loading to unloading. Simply stating compliance with legislation was not treated as a proxy for having a clear commitment to the avoidance of long distance live transportation. The reasons are (a) legislation may not be comprehensive, (b) a commitment 	

	<p>to compliance with legislation does not provide guarantees on performance in countries where such legislation is absent. Companies that stated that they complied with legislation but did not have a formal policy were, therefore, awarded zero points.</p> <ul style="list-style-type: none"> • Similarly, simply stating compliance with a farm assurance standard that imposes limits on transportation times was not treated as a proxy for having a clearly stated position, unless the commitment to avoidance was made explicit and the maximum journey time was specified. • Companies that stated that transport distances are low (e.g. because of local sourcing, or the geographic boundaries of the areas where they work) were not considered to have made a policy commitment to the avoidance of long distance live transport. • Companies that made a commitment to the avoidance of long distance live transportation but were not clear about the scope (in terms of geography, species, products) were awarded a score of 1 point. 	
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Governance and Management		
Question 10.	Has the company assigned management responsibility for farm animal welfare to an individual or specified committee?	
<i>Rationale</i>	When looking at the management of farm animal welfare, both oversight and implementation responsibilities are important. Oversight is necessary to ensure that senior management is aware of the business implications of farm animal welfare and is prepared to intervene when needed (e.g. if there are tensions between the organisation's farm animal welfare policy and other business objectives). However, it is often the case that those charged with oversight know relatively little about the specific details of how to effectively manage farm animal welfare. It is, therefore, important that there are individual(s) responsible for ensuring that the farm animal welfare policy is implemented and that farm animal welfare is effectively managed.	
<i>Scoring</i>	No clearly defined management responsibility.	0
	Published details of the management position with responsibility for farm animal welfare on a day-to-day basis.	5
	Published details of how the board or senior management oversees the implementation of the company's farm animal welfare policy.	5
	(Max score 10)	
<i>Explanatory Notes</i>	<ul style="list-style-type: none"> • The two sub-questions were scored separately (i.e. companies could score 5 points for publishing details of who was responsible 	

	<p>for farm animal welfare on a day-to-day basis and 5 points for publishing details of senior management responsibility for overseeing the farm animal welfare policy).</p> <ul style="list-style-type: none"> For the purposes of scoring the question on day-to-day responsibility, the question was not looking for named individuals, but evidence of roles with responsibility for farm animal welfare (e.g. a statement that this was the responsibility of a dedicated technical or sourcing manager, or a statement that responsibility was divided among a number of functions, with information on the various roles and responsibilities). For the oversight question, we recognised that companies may assign responsibility to a named senior person or that farm animal welfare may form part of the remit of a wider sustainability, CSR or sourcing committee. For the purposes of scoring, the emphasis was on the management of farm animal welfare. General information on CSR/sustainability management was only credited if it was clear that this included farm animal welfare.
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Question 11.	Has the company set objectives and targets for the management of farm animal welfare?	
Rationale	Objectives and targets are the point where policy commitments are translated into substantive action, and where resources and responsibilities are allocated for the delivery of these objectives and targets.	
Scoring	No published objectives and targets.	0
	Published objectives and targets but with no information on how these are to be achieved.	5
	Published objectives and targets together with information on the actions to be taken to achieve these, the resources allocated and the schedule for the delivery of these objectives and targets.	10
	(Max score 10)	
Explanatory Notes	<ul style="list-style-type: none"> This question was looking for evidence of explicit farm animal welfare-related targets, and for evidence that the company had a clear plan for achieving these targets. We did not award points for objectives and targets adopted for other purposes (e.g. quality), unless improving farm animal welfare was an explicit aim of these objectives and targets. For the purposes of scoring, we did not differentiate between process (e.g. to formalise their farm animal welfare management systems, to introduce audits) and performance (e.g. to phase out 	

	<p>specific non-humane practices, to ensure that specific standards are met for all species) targets.</p> <ul style="list-style-type: none"> Companies were awarded maximum points if they provided information on how the targets were to be achieved, e.g. by specifying the main actions to be taken, by indicating the financial and other resources required.
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Question 12.	Does the company report on its animal welfare performance?	
Rationale	Companies should explain how they have performed against their policy commitments, against the objectives and targets they have set for themselves, and on the farm animal welfare outcomes that they have achieved.	
Scoring		
Policy	The company does not report on how it has performed against the commitments set out in its overarching policy.	0
	The company reports on how it has performed against the commitments set out in its overarching policy.	5
Objectives and targets	The company does not report on how it has performed against its objectives and targets.	0
	The company reports on how it has performed against its objectives and targets.	5
Performance	No reporting on farm animal welfare performance.	0
	Partial reporting on farm animal welfare performance but limited to certain species, own-brand products or geographies.	4
	Reporting on farm animal welfare performance across all species, own-brand and branded products and geographies.	10
	(Max score 20)	
Explanatory Notes	<ul style="list-style-type: none"> The sub-questions (on policy, objectives and targets, and performance) were scored independently (i.e. the scores for each sub-question did not influence the scores on the other sub-questions). The policy question was only assessed if marks had been awarded for Question 2, i.e. the company had published a farm animal welfare policy. Otherwise, zero points were awarded for this part of the question. The objectives and targets question was only assessed if the company had been awarded 5 or 10 points for Question 11, i.e. the company had published objectives and targets. Otherwise, a score of zero was awarded for this part of the question. In relation to performance, acknowledging that such reporting is relatively underdeveloped, we did not prescribe a particular form 	

	of reporting but instead awarded scores for a variety of approaches (e.g. performance measures relating to sales/revenue by species or product type, the numbers of animals managed to specific welfare standards, the percentage of species/products meeting specified standards).
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Question 13.	Does the company describe its internal processes for ensuring that its farm animal welfare policy is effectively implemented?	
<i>Rationale</i>	The effective implementation of a farm animal welfare policy relies on employees who are competent to oversee the implementation of the policy, and on controls that allow the company to respond quickly and effectively in the event of non-compliance with the policy.	
<i>Scoring</i>		
<i>Training of Internal Staff</i>	No information provided on employee training in farm animal welfare.	0
	Specific training provided to employees in farm animal welfare.	5
<i>Internal Controls</i>	No information provided on the actions to be taken in the event of non-compliance with the farm animal welfare policy.	0
	The company describes the actions it takes in the event of non-compliance with its farm animal welfare policy.	5
	(Max score 10)	

Question 14.	Does the company describe how it implements its farm animal welfare policy (or equivalent) through its supply chain?	
<i>Rationale</i>	Many of the business risks and opportunities associated with farm animal welfare relate to companies' supply chains. Companies have the ability to influence their suppliers' performance both formally (e.g. through contracts, auditing processes) and informally (e.g. through capacity building and education)	
<i>Scoring</i>		
	No description of processes for implementing farm animal welfare policy through supply chain	0

<i>Supplier Contracts</i>	No information on how farm animal welfare is included in supplier contracts	0
	Farm animal welfare incorporated into contractual obligations for suppliers but limited by geography and/or certain products or species	3
<i>Monitoring and Auditing</i>	Farm animal welfare incorporated into contractual obligations for suppliers across all species, products and geographies	5
	No information provided on how supplier compliance with contract conditions is monitored	0
	Farm animal welfare specified as part of supplier auditing programme	5
<i>Education and Support</i>	Specific support and/or education provided to suppliers on farm animal welfare policy/issues	5
	(Max score 15)	
<i>Explanatory Notes</i>	<ul style="list-style-type: none"> The sub-questions (on contracts, auditing and supplier education) were scored independently (i.e. the scores for each sub-question did not influence the scores for the other sub-questions). On contracts, companies were awarded 3 points if they indicated that they included farm animal welfare in contracts but did not indicate whether this applied to all relevant contracts or if they indicated that farm animal welfare was not included in all contracts. On auditing, companies were only awarded 5 points if it was clear that their auditing processes explicitly covered farm animal welfare. Many of the companies reviewed reported that they audited their suppliers against safety and/or quality standards, but unless it was clear that these audit processes covered farm animal welfare, companies scored zero for this sub-question. On supplier support and/or education, 5 points were awarded to companies that published case studies or examples and/or provided a more comprehensive description of their approach. The award of 5 points was not dependent on the number or proportion of suppliers receiving this support and/or education. A number of companies reviewed described their support to suppliers on a range of supply chain issues. However, unless it was clear that this support also covered farm animal welfare, companies scored zero for this sub-question. 	

Question 15.	Does the company assure its welfare scheme to a prescribed standard?	
Rationale	Farm assurance schemes provide frameworks for managing farm animals, including their health and welfare, provenance and the legal compliance of the systems used. They can also play an important role in promoting higher welfare standards. Where species-specific legislation exists, schemes should ensure that minimum legislative standards are met and preferably schemes should lift the standards above the minimum. Where there is no species-specific legislation, assurance standards are increasingly important for protecting welfare.	
Scoring	No assurance standard specified.	0
	A proportion of products audited to basic farm assurance (or equivalent company) standard, but no information on the balance.	3
	A proportion of products audited to a combination of basic and higher farm assurance (or equivalent company) standard, but no information on the balance.	6
	100% of products audited to basic farm assurance (or equivalent company) standard.	10
	100% of products audited to a combination of a basic farm assurance (or equivalent company) standard and a higher welfare assurance (or company equivalent standard).	15
	100% of products audited to higher level (or company equivalent) assurance standard.	20
	(Max Score 20)	
Explanatory Notes	<ul style="list-style-type: none"> Basic farm assurance standards typically do not go beyond legislative requirements and so contribute relatively little to enhanced welfare. In general, these involve yearly inspections by an independent body. Examples of standards which provide basic farm assurance (typically within a wider quality context) include the Red Tractor Farm Assurance Schemes, BEIC Lion Quality, Viande de Porc Française, and Certification de Conformité de Produits. Farming systems that provide for behavioural freedom without compromising health can be described as having higher welfare potential. Whilst it is essential to set high standards to ensure livestock production systems have high welfare potential, it is also 	

	<p>important to monitor welfare outcomes (such as mortality, disease, lameness, injuries and the occurrence of normal and abnormal behaviours) to assess the overall performance of the system. In general, schemes with an animal welfare focus require system inputs which offer a higher welfare potential. However, they may also include more detailed welfare outcome measures and more frequent/ detailed inspections than basic farm assurance standards. Examples of higher welfare schemes, which offer many welfare advantages relative to standard industry practice for all species, include the Soil Association organic standards, RSPCA Freedom Food, Beter Leven, KRAV, Label Rouge, Neuland and GAP 5-Step.</p> <ul style="list-style-type: none"> • Where companies reported on performance by reference to their own internal standards, we needed a clear description of how the company standard compared to the basic or higher assurance standards outlined above in order for points to be awarded. • Companies that reported on performance by reference to the proportion of products audited but without specifying whether these were to basic or higher farm assurance standards were awarded 3 points. • There are a number of voluntary schemes which claim to incorporate animal welfare components but are, in fact, designed to assure quality or safety standards. In these instances, it is not always clear what standards, if any, of farm animal welfare are expected. Companies that described their performance against these sorts of standards generally did not receive points unless there was a clear description of the farm animal welfare elements of such standards.
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Innovation	
Question 16.	Is the company currently investing in projects dedicated to advancing farm animal welfare practices within the industry?
<i>Rationale</i>	<p>Farm animal welfare is a collective issue for the food industry as well as being an individual issue for each company in the industry. Making progress and raising standards across the industry requires individual companies to support research and development programmes to improve farm animal welfare, to share their knowledge and expertise with their suppliers and with their industry peers, to play a supportive role in public policy debates around farm animal welfare, and to support industry and stakeholder initiatives directed at improving farm animal welfare.</p>

Scoring	No evidence of involvement in advancing farm animal welfare beyond company practices.	0
Research and development	Evidence of current involvement in research and development programmes to improve farm animal welfare.	5
Lobbying and industry engagement	Evidence of active involvement in industry or other initiatives (e.g. working groups, supporting NGO lobbying, responding to government consultations) directed at improving farm animal welfare.	5
	(Max Score 10)	
Explanatory Notes	<ul style="list-style-type: none"> • The sub-questions (on research and development and industry initiatives) were scored independently (i.e. the scores for each sub-question did not influence the scores on the other sub-questions). • Companies that reported on their involvement in initiatives or programmes to improve farming techniques on environmental, safety or quality grounds, for example, were not awarded a score unless there was a clearly defined farm animal welfare element to these initiatives. • Similarly, only those industry initiatives that were explicitly directed at improving farm animal welfare were eligible to be scored. • In order to receive a score of 5 points for either sub-question, it was necessary for companies to demonstrate not only that the initiatives had a meaningful farm animal welfare dimension but that the company had played a significant role in the initiative. That is, companies had to demonstrate that they were dedicating significant time, resources or expertise to the initiatives in question. For example, it was not sufficient simply to say that the company had attended roundtables or working groups with industry peers. However, if a company had initiated or become a founding member of an initiative aimed at advancing farm animal welfare, a score of 5 points would have been awarded. 	

Question 17.	Has the company received any notable awards or accreditations for its farm animal welfare performance in the last two years?
Rationale	Awards from credible animal welfare organisations, consumer associations and industry and farming bodies provide tangible evidence that companies are achieving good/best practices in those areas of their operations covered by the awards. Awards can also play an important role within companies through motivating

	employees and signalling to senior management that farm animal welfare is an area where the organisation is achieving good/best practice.	
Scoring	No evidence of notable awards or accreditations in the last two years.	0
	The company has received a notable award or accreditation for a single category or species.	5
	The company has received a significant award relating to its efforts across a number of species, or the company has received awards for its efforts on different species.	10
	(Max Score 15)	
Explanatory Notes	<ul style="list-style-type: none"> Only awards that (a) explicitly focused on farm animal welfare, (b) were offered by credible animal welfare organisations, consumer associations or industry and farming bodies, and (c) involved a focus on farm animal welfare performance outcomes were considered. Awards/commendations from business partners (or other organisations where a commercial relationship exists) were not counted for scoring purposes because of concerns that these commercial links may play a role in the assessment process. Companies were able to score ten points if they received multiple awards from a single awarding organisation (e.g. from Compassion in World Farming) provided that these awards related to different species. Awards made prior to 2011 were not counted for scoring purposes (i.e. only awards received in the 2 years prior to the assessment were considered). To be considered for scoring, awards needed to be publicly acknowledged by the company. In a number of cases, we identified companies that had received farm animal welfare-related awards but did not have any information on these awards on their websites. 	

Question 18.	Does the company promote higher farm animal welfare to consumers through education and/or awareness-raising activities?
Rationale	Companies have an important role to play in raising awareness of farm animal welfare among their customers and clients. This, in turn, should contribute to increases in demand for higher welfare products.

Scoring	No evidence of promoting higher farm animal welfare.	0
	At least one example of promoting higher farm animal welfare to consumers.	5
	Multiple examples of promoting higher farm animal welfare to consumers.	10
	(Max Score 10)	
Explanatory Notes	<ul style="list-style-type: none"> The activities that could be considered in this question were defined broadly. Examples included: <ul style="list-style-type: none"> — The provision of farm animal welfare information on the company's website. Note: This is not just about providing information in the corporate responsibility section of the website but making farm animal welfare an integral part of customer communications and engagement. — On-pack or on-shelf labelling – provided this was evidenced on the company's website, in its published reports or on social media platforms. — Information leaflets or information packs. — Media promotions. — Supporting third party campaigns or programmes e.g. the RSPCA Farm Animal Week. — Customer farm visits, seminars or roundtables. — Social media campaigns. In order to receive a score of 5 or 10, the focus had to be on farm animal welfare. Initiatives aimed at showing how products are sourced or produced but without an explicit focus on the welfare of farm animals, were not scored in the assessment. 	

5.2 Changes from the 2012 Benchmark

The one major change to the 2013 Benchmark was the addition of Question 13 (on training and internal controls). This had the effect of increasing the maximum available score for the Governance and Management questions from 75 to 85 points, and the total maximum score from 170 to 180 points.

In addition to this new question, the wording of two questions was modified to improve their clarity and focus. These changes were:

- Question 4: To score 5 points, companies needed to make a universal commitment to the avoidance of close confinement across all relevant species, own-brand and other brand products and geographies. This change brought the wording of Question 4 into line with Questions 5 to 9.
- Question 5: The wording of the question was amended to make it clear that companies' commitments to avoid products from farm animals subject to genetic engineering or cloning and/or their progeny or descendants applied to all products. In the 2012 Benchmark, the wording of the question suggested that the commitment needed to apply to own-label products only.

CHAPTER 6: COMPANY COVERAGE

In total, 68 companies were included in the 2012 Benchmark. These companies – which were broadly spread across the three food industry subsectors, i.e. (a) food retailers and wholesalers, (b) restaurants and bars, and (c) food producers – were intended to provide a broadly representative sample of the larger (in terms of their turnover and in terms of their farm animal footprint) companies in the food sector across a range of European countries.

For the 2013 Benchmark, we proposed that we would use broadly the same list of companies, thereby ensuring that we maintained a consistent universe of companies for benchmarking purposes¹⁶. This approach was supported by the organisations that responded to the formal consultation on the 2013 Benchmark¹⁷.

We, did however, make two changes to the universe of companies as follows:

- We included both Aldi Süd and Aldi Nord in the 2013 Benchmark (whereas in 2012, we only covered Aldi Süd)
- We included both Mondelēz International and Kraft Foods group Inc in the 2013 Benchmark (whereas in the 2012 Benchmark, we evaluated Kraft Foods Inc which split into Mondelēz International and Kraft Foods Group Inc in 2012).

The 70 companies covered by the 2013 Benchmark are presented in Table 2.

¹⁶ BBFAW (2013), *Consultation on 2013 Evaluation Criteria* (BBFAW, London; http://www.bbfaw.com/wp-content/uploads/2010/08/BBFAW_Consultation_on_2013_Benchmark.pdf).

¹⁷ See, further, Nicky Amos and Rory Sullivan (2013), *Summary of Consultation on 2013 Benchmark Criteria*. BBFAW Investor Briefing No. 11 (September 2013) (BBFAW, London; http://www.bbfaw.com/wp-content/uploads/2010/08/Briefing_No11_Summary_of_Consultation_on_2013_Benchmark_Criteria.pdf).

Table 2: 2013 Benchmark Company Scope

	Company	ICB Classification	Country of Incorporation
1	Aldi Nord (Aldi Markt)	5337: Food Retailers and Wholesalers	Germany
2	Aldi Süd/Aldi Einkauf GmbH & Co	5337: Food Retailers and Wholesalers	Germany
3	Carrefour SA	5337: Food Retailers and Wholesalers	France
4	Casino Guichard-Perrachon SA	5337: Food Retailers and Wholesalers	France
5	(The) Co-operative Food (UK)	5337: Food Retailers and Wholesalers	UK
6	Coop Group (Switzerland)/Coop Genossenschaft	5337: Food Retailers and Wholesalers	Switzerland
7	Delhaize Group SA	5337: Food Retailers and Wholesalers	Belgium
8	El Corte Ingles SA	5337: Food Retailers and Wholesalers	Spain
9	Groupe Auchan SA	5337: Food Retailers and Wholesalers	France
10	ICA Gruppen	5337: Food Retailers and Wholesalers	Sweden
11	J Sainsbury Plc	5337: Food Retailers and Wholesalers	UK
12	Koninklijke Ahold NV	5337: Food Retailers and Wholesalers	Netherlands
13	Lidl Stiftung & Co KG	5337: Food Retailers and Wholesalers	Germany
14	Marks & Spencer Plc	5337: Food Retailers and Wholesalers	UK
15	Mercadona SA	5337: Food Retailers and Wholesalers	Spain
16	Metro AG	5337: Food Retailers and Wholesalers	Germany
17	Migros-Genossenschafts-Bund	5337: Food Retailers and Wholesalers	Switzerland
18	Rewe Group	5337: Food Retailers and Wholesalers	Germany
19	Schwarz Unternehmens Treuhand KG/Kaufland	5337: Food Retailers and Wholesalers	Germany
20	Tesco Plc	5337: Food Retailers and Wholesalers	UK
21	Waitrose	5337: Food Retailers and Wholesalers	UK

22	Walmart Stores Inc/Asda	5337: Food Retailers and Wholesalers	USA
23	Wm Morrison Supermarkets Plc	5337: Food Retailers and Wholesalers	UK
24	Aramark Corporation	5757: Restaurants and Bars	USA
25	Autogrill SPA	5757: Restaurants and Bars	Italy
26	Burger King Corporation	5757: Restaurants and Bars	USA
27	Camst - La Ristorazione Italiana Soc. Coop. ARL	5757: Restaurants and Bars	Italy
28	Compass Group Plc	5757: Restaurants and Bars	UK
29	Cremonini SPA	5757: Restaurants and Bars	Italy
30	Elior	5757: Restaurants and Bars	UK
31	Gategroup Holding AG	5757: Restaurants and Bars	Switzerland
32	Greggs Plc	5757: Restaurants and Bars	UK
33	JD Wetherspoon Plc	5757: Restaurants and Bars	UK
34	McDonald's Corporation	5757: Restaurants and Bars	USA
35	Mitchells & Butlers Plc	5757: Restaurants and Bars	UK
36	Quick	5757: Restaurants and Bars	France
37	Sodexo	5757: Restaurants and Bars	France
38	SSP Group Limited	5757: Restaurants and Bars	Sweden
39	Starbucks Corporation	5757: Restaurants and Bars	USA
40	Subway	5757: Restaurants and Bars	USA
41	Thon Gruppen AS	5757: Restaurants and Bars	Norway
42	Umoe Gruppen AS	5757: Restaurants and Bars	Norway
43	Whitbread Plc	5757: Restaurants and Bars	UK
44	Yum! Brands, Inc	5757: Restaurants and Bars	USA
45	2 Sisters Food Group	3570: Food Producer	UK
46	Arla Foods Ltd	3570: Food Producer	Denmark
47	Associated British Foods Plc	3570: Food Producer	UK
48	Barilla SPA	3570: Food Producer	Italy
49	Cargill	3570: Food Producer	USA
50	Cranswick Plc	3570: Food Producer	UK
51	Dairy Crest Plc	3570: Food Producer	UK
52	Danish Crown AmbA/Tulip	3570: Food Producer	Denmark
53	Hillshire Brands Co	3570: Food Producer	USA
54	Groupe Danone SA	3570: Food Producer	France
55	Groupe Lactalis	3570: Food Producer	France
56	H.J. Heinz	3570: Food Producer	USA
57	Kraft Foods Group Inc	3570: Food Producer	USA
58	Marfrig Alimentos SA/Moy Park	3570: Food Producer	Brazil
59	Mars Inc	3570: Food Producer	USA
60	Mondelēz International	3570: Food Producer	USA
61	Müller Group AG	3570: Food Producer	Germany
62	Nestle SA	3570: Food Producer	Switzerland
63	Noble Foods Ltd	3570: Food Producer	UK
64	Premier Foods Plc	3570: Food Producer	UK

65	Royal Friesland Campina NV	3570: Food Producer	Netherlands
66	Smithfield Foods Inc	3570: Food Producer	USA
67	Terrena Group/Gastronome	3570: Food Producer	France
68	Tyson Foods Inc	3570: Food Producer	USA
69	Unilever NV	3570: Food Producer	Netherlands
70	VION Food Group	3570: Food Producer	Netherlands

CHAPTER 7: FUTURE DEVELOPMENT OF THE BENCHMARK

In the course of the investor consultation and the process of developing and conducting the 2013 Benchmark, we received a series of suggestions about how the Benchmark might evolve in future years. Among the suggestions that we received were that:

- **The scope of the Benchmark be extended beyond companies with a significant farm animal footprint in Europe.**

BBFAW Comment: We expect to increase the number of companies covered by the Benchmark by adding significant and comparable global food companies in each of the sub-sectors. Our plan is to add approximately 10 companies per year over the next 3-4 years (i.e. so that the Benchmark ultimately covers 100-110 of the world's largest food companies). We have considered developing regional Benchmarks but we see that (in order to have sufficiently large sample sizes for comparative purposes) that this could result in us focusing attention on companies with relatively small farm animal footprints.

- **(Questions 3-9 and 12) The wording of these questions be revised to remove reference to other brands' products as this wording may unfairly penalise food retailers, compared to wholesalers, restaurants and bars, and food producers.**

BBFAW Comment: The reference to other brands' products recognises the important role that food companies have across their supply chain to positively influence farm animal welfare performance. We have not seen evidence that food retailers perform worse on these questions compared to other sub-sectors but we will continue to monitor this issue.

- **(Question 13) The assessment of the role and capacities of internal staff charged with implementing a company's farm animal welfare policies be extended to include a deeper analysis of the management approach through, for example, asking about pre-employment processes (e.g. checking references, competency assessments), the breadth and depth of training provided, and monitoring/accountability processes (e.g. CCTV, whistle blowing processes, testing procedures).**

BBFAW Comment: We agree that the addition of some or all of these elements would significantly strengthen the questions relating to internal systems and processes. Any decisions we take on the inclusion of these elements will depend on how we address performance-related questions in future iterations of the Benchmark.

- **The criteria be extended to include fish.**

BBFAW Comment: We intend including fish in the 2015 Benchmark and will consult on potential question(s) in 2014.

- **There be a greater emphasis on performance (or farm animal welfare outcomes).**

BBFAW Comment: We will formally consult on farm animal welfare performance criteria in early 2014. We expect that we will introduce performance measures in the 2014 Benchmark.

- **Selective breeding be included in future iterations of the Benchmark.**

BBFAW Comment: We plan on publishing an investor briefing on selective breeding in 2014 and will use this to canvass investor and other stakeholder opinion on whether we should include questions on selective breeding in future iterations of the Benchmark.

- **Antibiotics be included in future iterations of the Benchmark.**

BBFAW Comment: We plan on publishing an investor briefing on antibiotics in 2014 and will use this to canvass investor and other stakeholder opinion on whether we should include questions on antibiotics in future iterations of the Benchmark.

In early 2014, we will review all of the feedback that we have received about the 2013 Benchmark (including the issues raised above), and we will also conduct a structured consultation to gather feedback from companies, investors and other stakeholders. We will use this feedback to inform any changes that we make to the scope and assessment framework for the 2014 Benchmark.

APPENDIX 1: GLOSSARY

Animal welfare – the physical and mental wellbeing of animals; the Farm Animal Welfare Council adopted the Five Freedoms (see below) to demonstrate the attributes of good animal welfare

Basic farm assurance – certification schemes that ensure certain standards of safety and quality are met, often including some animal welfare standards similar to the legislative requirements of the market(s) in which they operate

Barren battery cage – a cage used to house several laying hens, usually providing space equivalent to less than an A4 sheet of paper per hen; provision is limited to food and water; barren battery cages are prohibited by EU legislation although they are common in other parts of the world

Battery caged hens – hens housed in barren battery cages

Beak trimming – removal of part of the beak (laying hens, parent broilers and turkeys) using a hot blade, secateurs or an infra-red beam. Infra-red is the only method permitted in England; in the EU no more than a third of the beak may be removed

Broiler chickens – chickens reared for meat production

Close confinement – provision of very limited space, representing inadequate space to allow an animal to move around or express normal patterns of behaviour

Disbudding – removal of the horn buds in young animals (calves, kids) using a hot iron or chemical cauterisation

Dehorning – removal of the horns of adult animals by cutting or sawing

Dry sows – pregnant female pigs

Farm animal welfare – the physical and mental wellbeing of animals reared for food, fibres and other commodities.

Farrowing crate – a metal cage used to confine a single sow during farrowing (birth) and lactation; the crate is designed to obstruct transition between lying and standing and does not allow the sow to turn around or engage properly with her piglets

Five Freedoms – a framework for analysis of animal welfare within any system which includes the following requirements for good welfare:

1. Freedom from thirst, hunger and malnutrition
2. Freedom from discomfort
3. Freedom pain and disease
4. Freedom from fear and distress
5. Freedom to express normal behaviour

Food companies - food businesses including producers, processors, manufacturers, food retail and service companies

Gilts – young female pigs that have never been pregnant

Growth promoting substances – used to increase the muscle (meat) or milk production of animals farmed for food. Examples include the hormone BST used to increase milk production, hormone feed additives in pig production (e.g. ractopamine) and low dose antibiotics. Antibiotic and hormonal growth promoters are not permitted by EU legislation

Long distance transportation – any transport of a live animal that exceeds 8 hours, from loading to unloading; welfare has been shown to decrease significantly in journeys lasting more than 8 hours

Mulesing – removal of skin from the hind-quarters of sheep breeds with excess folds of skin on their rumps, often without adequate pain relief

Mutilation – A procedure that interferes with the bone structure or sensitive tissues of an animal, usually to prevent an abnormal behaviour such as tail biting (pigs) and injurious pecking (laying hens)

Routine Mutilations – The mutilation of all animals at a certain stage within a certain system to help prevent problems associated with abnormal behaviours. Usually occurs instead of addressing the underlying issues with the system that may lead to the abnormal behaviours

Sow stall – a narrow metal crate used to confine individual sows for their 16 week pregnancy, without sufficient room for sows to turn around; also called gestation crates

Tail docking – removal of part of the tail (usually up to two-thirds) using a hot docking iron, sharp blade (pigs) or tight rubber ring (lambs, cattle); routine tail docking of pigs is not permitted by EU legislation

Teeth clipping – reduction (cutting) of a piglet's 8 sharp needle teeth shortly after birth using sharp clippers or pliers; routine teeth clipping is not permitted by EU legislation

Tethering – tying of an animal (usually grazing animals such as cattle and goats, but also sows) to a fixed point; tethering prevents an animal from carrying out its normal behaviour, and is not permitted in the EU for calves (certain exceptions) or pigs

Veal crate – a pen or box to confine a single dairy calf; calves are often tethered in these systems and do not have adequate space to turn around; the use of veal crates is prohibited in the EU and some US states

The **Business Benchmark on Farm Animal Welfare** is designed to help drive higher farm animal welfare standards in the world's leading food businesses. It is the first global measure of animal welfare standards in food companies and is designed for use by investors, companies, NGOs and other interested stakeholders.

For more information, go to www.bbfaw.com or contact the Programme Director, Nicky Amos: nicky@nicky-amos.co.uk.