



The Business Benchmark on Farm Animal Welfare: 2012 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.bbfa.com.

CHAPTER 1 INTRODUCTION

The Business Benchmark on Farm Animal Welfare (BBFAW): 2012 Report¹, published in February 2013, provides an independent assessment of how some of the world's largest food companies are managing and reporting on farm animal welfare.

This Methodology Report, which accompanies the 2012 Business Benchmark Report, describes the framework used to evaluate companies on their farm animal welfare management and reporting. This report comprises the following main sections:

- Section 2: Background to the Benchmark
- Section 3: The structure of the Benchmark
- Section 4: The assessment approach
- Section 5: The Benchmark criteria
- Section 6: The scope of companies covered in the 2012 Benchmark
- Section 7: The future development of the Benchmark

¹ Nicky Amos and Rory Sullivan (2013), *The Business Benchmark on Farm Animal Welfare: 2012 Report* (BBFAW, London).

2.1 Why benchmark food companies?

Farm animal welfare is an increasingly important issue for companies across all food sector companies: 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 standards². 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.

A key tool for the delivery of these objectives is an annual benchmark of food companies and an associated report detailing the state of farm animal welfare as a business issue³. 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 policies⁴.

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

² Katy Read (2011), *Farm Animal Welfare: The Business Case for Action. Business Benchmark on Farm Animal Welfare Investor Briefing No 2 (October 2011)* (BBFAW, London); Rory Sullivan and Nicky Amos (2012), *Farm Animal Welfare Disclosure Framework. Business Benchmark on Farm Animal Welfare Investor Briefing No 5 (June 2012)* (BBFAW, London). These and other briefing notes can be obtained from www.bbfaw.com

³ Amos and Sullivan (2013) (Note 1).

⁴ See, further, www.bbfaw.com

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 other resources necessary to coordinate the development of the Benchmark criteria, company research and evaluation services, the accompanying dialogue with companies and other stakeholders.

In early 2012, a Technical Working Group was established to develop the 2012 Benchmark criteria and define the geographic and company scope. The Group, comprising technical experts, researchers and food business managers, was supported by expert advisors on investor engagement and corporate responsibility.

2012 Technical Working Group Members

Nicky Amos, Programme Director and Advisor on Corporate Responsibility
Katy Cheney, Head of Food Business, Compassion in World Farming
Mia Fernyhough, Food Business Manager (Retail), Compassion in World Farming

Dr Lesley Lambert, Chief Policy Advisor, Humane and Sustainable Agriculture, WSPA

Dr Graham Ritchie, Head of Policy and Advocacy, WSPA

Dr Rory Sullivan, Independent Advisor and Expert on Investor Engagement

2.4 Stakeholder Engagement and the 2012 Benchmark

Central to the development of the 2012 Benchmark has been an active programme of dialogue with the investment community. BBSFAW's engagement with the investment community included the launch of the Benchmark programme in October 2011 at an event convened by UKSIF and Henderson Global Investors, a webinar hosted by the Principles for Responsible Investment (PRI) in March 2012, a roundtable hosted by The Co-operative Asset Management in July 2012, and a series of meetings with individual investment organisations. This engagement has played a critical role in informing the design and scope of the Benchmark, in particular in ensuring it aligns with the way investors analyse company performance on other corporate responsibility issues, and in defining the universe of companies covered by the Benchmark.

In the period June to August 2012, we ran a formal consultation on the criteria that we intended using to evaluate company farm animal welfare management practices. We also sought feedback on the companies that should be covered by the 2012 Benchmark. We received feedback from 38 stakeholders, including 20 comprehensive written responses from investors, food businesses and NGOs. In addition, 15 investors participated in a roundtable meeting in London, and we had meetings and conference calls

with a number of food companies⁵. The overall consensus was that the Benchmark would 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. While there was broad agreement that the criteria and methodology were robust, we made a number of changes to the Benchmark criteria based on the feedback received⁶.

⁵ For an analysis of the responses to the consultation including comments on the questions, the feasibility of company reporting on farm animal welfare, the proposed assessment criteria and scoring, and the draft list of companies for assessment, see http://www.bbfaw.com/wp-content/uploads/2012/08/Summary_of_Consultation.pdf

⁶ http://www.bbfaw.com/wp-content/uploads/2012/08/Summary_of_Consultation.pdf

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 provide⁷:

- Information on the company itself 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.
- 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 aligns with the framework above for reporting on other corporate responsibility issues, with the questions – see further Section 5 – covering three core areas as follows:

- **Management Commitment** – description of the company's governance and management arrangements on farm animal welfare, including specific commitments on critical animal welfare measures (e.g. avoidance of close confinement and long distance live transportation);
- **Governance and Management** – management oversight of farm animal welfare strategy and operations, performance measurement, targets and objective setting, the adoption of assurance standards, and reporting on progress against policy and objectives;
- **Leadership and Innovation** – investment in projects to advance farm animal welfare; external awards and accreditations; and advocacy on farm animal welfare.

⁷ Rory Sullivan (2011), *Valuing Corporate Responsibility: How Do Investors Really Use Corporate Responsibility Information?* (Greenleaf Publishing, Sheffield).

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 companies⁸. 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. This should include a discussion of the risks and business 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 development⁹.
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 expected standards of farm animal welfare.
 - 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 of livestock, the use of meat from genetically modified or cloned animals or their progeny, 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 and barren battery eggs.

⁸ For a more detailed discussion of reporting on farm animal welfare, see Sullivan and Amos (2012) (Note 2).

⁹ Read (2011) (Note 2).

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 for overall oversight of 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 how they implement their farm animal welfare policy through their supply chains. This may include discussion of:
 - a. How farm animal welfare issues are integrated into contracts, performance reviews, monitoring and auditing.
 - b. How supplier performance on farm animal welfare is incentivised.
 - c. How staff and supplier competencies to effectively manage farm animal welfare are built.
8. 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

9. 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.
10. Companies should describe how they engage with their customers or clients on farm animal welfare.

3.4 Weightings

The maximum benchmark score is 170, awarded across 17 questions, with the scores allocated as follows:

Management Commitment and Policy: the total)	65 points (38% of
Governance and Management:	75 points (44%)
Leadership and Innovation:	30 points (18%)

The scores for each individual question/sub-question are presented in Section 5.

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 Section 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 the assessment (mid August to early September 2012). The information reviewed for each company included formal reports (e.g. annual reports, corporate responsibility reports), the information on the corporate responsibility sections of the company's website, and the information provided in documents such as press releases and frequently asked questions¹⁰. We conducted similarly thorough reviews of the websites of company subsidiaries.

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 which was not otherwise 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 the positive developments and so raises questions about the level of the company's engagement with the issue in question.

4.3 Focus on Farm Animal Welfare, not Corporate Responsibility

The focus of the Benchmark was on farm animal welfare rather than on corporate responsibility. We, therefore, did not give credit for general

¹⁰ 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 2012 benchmark, their reporting on the issue 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 had included farm animal welfare in their one year's corporate responsibility report but not it in subsequent reports).

corporate responsibility 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 management system.

4.4 Company Feedback

Company reports based on our interim findings and scores were emailed to companies in December 2012. During the period from December 2012 to early February 2013, 50% of companies assessed responded with written comments or requested further dialogue on the assessment approach and scoring. As a result of feedback from companies, the scores for eight companies were revised.

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 February 2013.

CHAPTER 5

BENCHMARK CRITERIA

The 2012 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 2012 assessment.

Table 1: 2012 Assessment Criteria

Management Commitment and Policy		
Question 1.	Does the company acknowledge farm animal welfare as a business issue?	
Rationale	<i>It is good practice for food companies to identify farm animal welfare as a relevant issue for the business, and to explain why farm animal welfare is a business issue. Acknowledging farm animal welfare as a business issue is an important first step towards implementing a comprehensive approach to farm animal welfare management.</i>	
Scoring	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)	
Explanatory Notes	<ul style="list-style-type: none"> • 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 a score of 10 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 acknowledge 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 they need to manage, and their perceptions of customer and stakeholder pressure for action. 	
<hr/>		
Question 2.	Does the company publish an overarching corporate farm animal welfare policy (or equivalent)?	
Rationale	<i>It is good practice for companies to formalise their approach to animal welfare in a policy (or equivalent such as a statement of guiding principles 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 corporate agenda.</i>	
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 	

	<p>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 five points.</p> <ul style="list-style-type: none"> 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 ten 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?
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	Scope not specified 0
<i>Geographic scope</i>	Not specified 0
	Scope is limited to certain specified geographies 2
	Scope is universal across all geographies 5
	(Max Score – 15)
<i>Species covered</i>	Not specified 0
	Scope is limited to certain specified species 2
	Scope is universal across all relevant species 5
	(Max Score – 15)
<i>Products covered</i>	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)
Explanatory Notes	<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 five points in each of the three sub-questions, and the scores for each sub-question did not influence the scores on 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 as meaning that the policy had universal application (with respect to animals and products respectively) and companies received five 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	<i>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.</i>	
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 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 the EU Directive on egg laying hens) 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 awarded a score of zero points. 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 one 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 their own-label products?	
Rationale	<i>Both cloning and genetic engineering raise series animal welfare concerns¹¹.</i>	
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. 	

¹¹ 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. Business Benchmark on Farm Animal Welfare Investor Briefing No 6 (September 2012)* (BBFAW, London).

	<ul style="list-style-type: none"> 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 awarded a score of 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. 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 one point. 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 who 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. 	
Question 6.	Does the company have a clear position on the avoidance of growth promoting substances?	
Rationale	<i>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.</i>	
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 issues¹², (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 	

¹² For example, the use of hormone and antibiotic growth promoters is not permitted by EU legislation. Products treated with hormone growth promoters cannot be imported into the EU. The same, however, is not true of those products produced with antibiotic growth promoters.

	<p>a formal policy were awarded a score of zero points.</p> <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. • 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. 	
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	<i>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.</i>	
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 awarded a score of zero points. • 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. • 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. 	
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	<i>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.</i>	
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 to render animals unconscious immediately prior to slaughter (typically using carbon dioxide or electrical stunning methods). 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 a score of 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. 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 one point. Companies that described the actions taken (e.g. the installation of CCTV in abattoirs) but did not make a formal policy commitment 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 meat for Jewish communities). In these situations, so long as the scope of the exception was clear, companies were awarded three points for this question. 	
Question 9.	Does the company have a clear position on the avoidance of long distance live transportation?	
Rationale	<i>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.</i>	
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 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 to compliance with legislation 	

	<p>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 a score of 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. • 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 transport. • Companies that made a commitment to the avoidance of long distance transportation but were not clear about the scope (in terms of geography, species, products) were awarded a score of one point. 	
Governance and Management		
Question 10.	Has the company assigned management responsibility for farm animal welfare to an individual or specified committee?	
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	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)	
Explanatory Notes	<ul style="list-style-type: none"> • The two sub-questions were scored separately (i.e. companies could score five points for publishing details of who was responsible for farm animal welfare on a day to day basis and five points for publishing details of who was responsible for oversight of its farm animal welfare policy). • 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 departments with information on the various roles and responsibilities). • For the oversight question, we recognized 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 management was only credited if it was clear that this applied to farm animal welfare. 	
Question 11.	Has the company set objectives and targets for the management of farm animal welfare?	
Rationale	<i>Objectives and targets are the point where policy commitments are translated</i>	

	<i>into substantive action, and where resources and responsibilities are allocated for the delivery of these objectives and targets.</i>		
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 targets and evidence that the company had a clear plan for achieving these targets. 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 specific non-humane practices, to ensure that specific standards are met for all species) targets, as we were interested in whether objectives and targets had been published. Companies were awarded ten 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. 		
Question 12.	Does the company report on its animal welfare performance?		
Rationale	<i>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.</i>		
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 policy 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 objectives and targets question was only scored if marks had been awarded for Question 11, i.e. when the company had published objectives and targets. The sub-questions (on policy, objectives and targets, and performance) were scored separately (i.e. the scores for each sub-question did not influence the scores on the other sub-questions). 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). 		

Question 13.	Does the company describe how it implements its farm animal welfare policy (or equivalent) through its supply chain?	
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>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
	Farm animal welfare incorporated into contractual obligations for suppliers across all species, products and geographies	5
<i>Monitoring and Auditing</i>	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)	
Explanatory Notes	<ul style="list-style-type: none"> The sub-questions (on contracts, auditing and supplier education) were scored separately (i.e. the scores for each sub-question did not influence the scores for the other sub-questions). On contracts, companies were awarded three points if they indicated that they include farm animal welfare in contracts but did not indicate whether this applied to all relevant contracts and/or indicated that farm animal welfare was not included in all contracts. On auditing, companies were only awarded five 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 on issues such as safety and product quality but unless it was clear that audit processes covered farm animal welfare, companies scored zero for this sub-question. On supplier support and/or education, five points were awarded to companies that published case studies or examples and/or provided a more comprehensive description of their approach. The award of five points was not dependent on the number or proportion of suppliers receiving this support and/or education. 	
Question 14.	Does the company assure its welfare scheme to a prescribed standard?	
Rationale	<i>Farm assurance schemes provide frameworks for managing farm animals, including their health 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.</i>	
Scoring	No assurance standard specified	0
<i>Assurance standards partially specified</i>	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

<i>Assurance standards completely specified</i>	100% of products audited to basic farm assurance (or equivalent company) standard	1 0
	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)	1 5
	100% of products audited to higher level (or company equivalent) assurance standard	2 0
	(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 input standards to ensure livestock production systems have high welfare potential, it is also 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. 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. 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. Where companies 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. 	
Innovation		
Question 15.	Is the company currently investing in projects dedicated to advancing farm animal welfare practices within the industry?	
Rationale	<i>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.</i>	
Scoring	No evidence of involvement in advancing farm animal welfare beyond company practices	0
<i>Research and development</i>	Evidence of current involvement in research and development programmes to improve farm animal welfare	5

<i>Lobbying and industry engagement</i>	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 separately (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 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 initiatives that were explicitly directed at improving farm animal welfare were eligible to be scored. • In order to receive a score of five 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 they 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. 	
Question 16.	Has the company received any notable awards or accreditations for its farm animal welfare performance in the last two years?	
Rationale	<i>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.</i>	
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. • Companies were able to score ten points if they received multiple awards from one awarding organisation (e.g. from Compassion in World Farming) provided that these awards related to different species. • Awards made prior to 2010 were not counted for scoring purposes (i.e. only awards received in the two 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 17.	Does the company promote higher farm animal welfare to consumers through education and/or awareness-raising activities?	

Rationale	<i>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.</i>	
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. - Information leaflets or information packs. - Media promotions. - Supporting third party campaigns of programmes. - Customer seminars or roundtables. • In order to receive a score of five or ten, the focus had to be on farm animal welfare. • Initiatives aimed at showing how products are sourced or produced, without any explicit focus on the welfare of farm animals, were not included in the assessment. 	

6.1 How Were the Companies Selected?

We identified an initial list of 65 companies, broadly spread across the three food industry subsectors – i.e. (a) food retailers and wholesalers, (b) restaurants and bars (a category that includes many of the food service providers), and (c) food producers – and including both listed and non-listed companies (private companies, partnerships companies, co-operatives). This list, which was produced using Euromonitor's 2010/11 data on the top 50 EU food businesses by sector and Deloitte's 2012 report *Global Powers of Retailing 2012*¹³, was intended to provide a broadly representative sample of the larger companies in the food sector across a range of European countries.

This initial list was discussed with BBFAW partners, Compassion in World Farming and WSPA. This led to a number of revisions, primarily the addition of companies that had a significant farm animal footprint, and were seen as representative of the sector more generally. Compassion in World Farming and WSPA were particularly keen to add companies who were recognised for high farm animal welfare standards to the list of companies to be benchmarked. However, we took the view that, unless these companies were large (in financial terms or in terms of their farm animal footprint) they should not be included in the universe of benchmarked companies; our reason was that the inclusion of these companies would skew the results, potentially suggesting that, overall, companies' farm animal welfare practices and performance were higher than is actually the case.

The draft company list was reviewed as part of the public consultation process in June and July 2012. The feedback from the investors attending a roundtable hosted by The Co-operative Asset Management was that the list was broadly representative of the European food sector. A number of additional companies were suggested as suitable comparators (for example, a number of UK pub companies were identified to enable benchmarking across sub-sectors).

Following feedback, the final list of companies was published on the BBFAW website in August 2012.

6.2 Companies evaluated

In total, 68 companies were included in the 2012 assessment (see Table 2).

¹³ http://www.deloitte.com/view/en_GX/global/f9f6b21f1d464310VgnVCM1000001a56f00aRCRD.htm

Table 2: 2012 Benchmark Company Scope

	Company	ICB Classification	Country of incorporation
1	Ahold/ICA Eiendom Norge AS	5337: Food Retailers and Wholesalers	Sweden
2	Aldi Süd (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	Cooperative Group/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	J Sainsbury Plc	5337: Food Retailers and Wholesalers	UK
11	Koninklijke Ahold NV	5337: Food Retailers and Wholesalers	Netherlands
12	Lidl Stiftung & Co KG	5337: Food Retailers and Wholesalers	Germany
13	Marks & Spencer Plc	5337: Food Retailers and Wholesalers	UK
14	Mercadona SA	5337: Food Retailers and Wholesalers	Spain
15	Metro AG	5337: Food Retailers and Wholesalers	Germany
16	Migros-Genossenschafts-Bund	5337: Food Retailers and Wholesalers	Switzerland
17	Rewe Group	5337: Food Retailers and Wholesalers	Germany
18	Schwarz Unternehmens Treuhand KG/Kaufland	5337: Food Retailers and Wholesalers	Germany
19	Tesco Plc	5337: Food Retailers and Wholesalers	UK
20	John Lewis Partnership/Waitrose	5337: Food Retailers and Wholesalers	UK
21	Wal-Mart Stores Inc/Asda	5337: Food Retailers and Wholesalers	USA
22	Wm Morrison Supermarkets Plc	5337: Food Retailers and Wholesalers	UK
23	Aramark Corporation	5757: Restaurants and Bars	USA
24	Autogrill SPA	5757: Restaurants and Bars	Italy
25	Burger King Corporation	5757: Restaurants and Bars	USA
26	Camst - La Ristorazione Italiana Soc. Coop. ARL	5757: Restaurants and Bars	Italy
27	Compass Group Plc	5757: Restaurants and Bars	UK
28	Cremonini SPA	5757: Restaurants and Bars	Italy
29	Elior	5757: Restaurants and Bars	UK
30	SSP Group Limited	5757: Restaurants and Bars	Sweden
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	Starbucks Corporation	5757: Restaurants and Bars	USA
39	Subway	5757: Restaurants and Bars	USA
40	Thon Gruppen AS	5757: Restaurants and Bars	Sweden
41	Umoe Gruppen AS	5757: Restaurants and Bars	Sweden
42	Whitbread Plc	5757: Restaurants and Bars	UK
43	Yum! Brands, Inc	5757: Restaurants and Bars	USA
44	Associated British Foods Plc	3570: Food Producer	UK
45	2 Sisters Food Group	3570: Food Producer	UK
46	Arla Foods Ltd	3570: Food Producer	Denmark
47	Barilla SPA	3570: Food Producer	Spain
48	Cargill	3570: Food Producer	USA
49	Cranswick Plc	3570: Food Producer	UK
50	Dairy Crest Plc	3570: Food Producer	UK
51	Danish Crown AmbA/Tulip	3570: Food Producer	Denmark
52	Terrena Group/Gastronome	3570: Food Producer	France

53	Hillshire Brands Co/Sara Lee Corporation	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 (now Mondelez International)	3570: Food Producer	USA
58	Marfrig Alimentos SA/Moy Park	3570: Food Producer	UK
59	Mars Inc	3570: Food Producer	USA
60	Müller Group AG	3570: Food Producer	Germany
61	Nestle SA	3570: Food Producer	Switzerland
62	Noble Foods Ltd	3570: Food Producer	UK
63	Premier Foods Plc	3570: Food Producer	UK
64	Royal Friesland Campina NV	3570: Food Producer	Italy
65	Smithfield Foods Inc	3570: Food Producer	USA
66	Tyson Foods Inc	3570: Food Producer	USA
67	Unilever NV	3570: Food Producer	Netherlands
68	VION NV	3570: Food Producer	Netherlands

While primarily comprising European companies, the list also included a number of US companies with a significant presence in Europe. Figure 1 presents the breakdown of these companies by sub-sector and Figure 2 presents a breakdown of these by country of listing or country of incorporation (for unlisted companies).

Figure 1: Company Breakdown by Sub-Sector (number of companies in brackets)

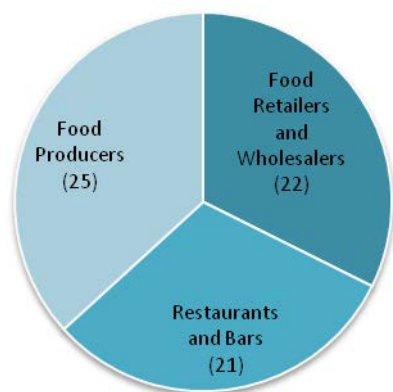
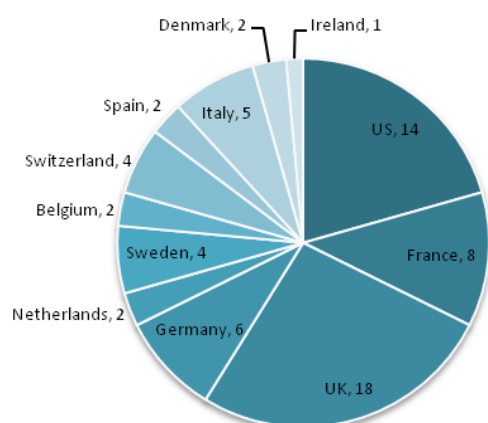


Figure 2: Company Breakdown by Country of Listing or Domicile



7.1 Potential Areas for Review

In the course of developing and conducting the 2012 Benchmark, we received a series of suggestions about it 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.
- Pet food producers and biotechnology companies be included in the list of companies evaluated.¹⁴
- The criteria be extended to include fish.
- The scope of the Benchmark be extended to include wider sustainability concerns linked to social and environmental responsibility such as religious laws and customs, food safety and security, and sustainable sourcing.
- Sector-specific targets or performance measures be included.
- The Benchmark report explicitly highlights leaders and laggards to increase the pressure on companies to improve their performance.

7.2 Our Review Process

In the period April to June 2013, we will review all of the feedback that we have received about the 2012 Benchmark, and we will also conduct a structured consultation in this time 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 2013 assessment, and we will provide a full explanation of any changes that we make.

¹⁴ Although, we note that we have already included a number of large pet food producers in the 2012 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. In 2012, the BBFAW defined farm animal welfare as it relates to egg laying hens, broiler chickens, pigs, dairy cows and calves, ducks, guinea fowl, rabbits, turkeys, geese, beef cattle, sheep and game.

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, not permitted in the EU for calves (certain exceptions) and 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.