

## **INVESTOR BRIEFING NO. 22**

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# Summary of Consultation on the 2015 Benchmark

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#### <u>Summary</u>

As the first global measure of animal welfare standards in food companies, the Business Benchmark on Farm Animal Welfare (BBFAW) provides an objective account of the state of farm animal welfare as a business issue.

In the period 17 June to 17 July 2015, the BBFAW secretariat conducted a formal consultation<sup>1</sup> on the criteria to be used in the 2015 iteration of the Benchmark, on the scope of the Benchmark, and on how the Benchmark could be made more useful to investors and other stakeholders. This document provides a summary of the key findings from the consultation and presents BBFAW responses to the feedback received.

#### THE 2015 BENCHMARK

Following the consultation process, the following changes were made to the 2015 Benchmark (relative to the 2014 Benchmark):

- 1. The addition of 11 new companies six from the US, three from Australia/New Zealand, one from Canada and one from Italy: Albertsons, Target Corporation, Wesfarmers Ltd, Woolworths Limited, Loblaw Companies Ltd, Chipotle Mexican Grill, ConAgra Foods Inc, Dean Foods Co, Fonterra, Sysco and Gruppo Veronesi. These additions increase the total number of companies covered by the Benchmark to 90.
- 2. The inclusion of the scores attained for the performance-based questions introduced into the Benchmark in 2014. The weighting assigned to performance-based questions will represent 10% of the overall score in 2015 and will rise to 35% by 2018 in line with our longer-term aim to focus on performance rather than exclusively on management processes.

<sup>&</sup>lt;sup>1</sup> BBFAW (2015, Consultation on 2015 Evaluation Criteria (BBFAW, London; http://www.bbfaw.com/media/1053/consultation-on-2015-evaluation-criteria.pdf)



# Part I: Respondents to the Consultation

We received formal written responses from nine organisations, including six food companies (in Brazil, Switzerland and the UK), one investor based in Canada, and two NGOs (based in North America and Spain)<sup>2</sup>.

# Part II: Summary of feedback

## 1. <u>Company Coverage</u>

In the Consultation Document, we proposed adding 11 new companies (see Box 1) to the core list of companies. Other than the new companies, we proposed keeping the core list of companies in the Benchmark unchanged, with the exception of Hillshire Brands following its acquisition by Tyson Foods Inc. The effect of this and the new companies would bring the total number of companies covered by the 2015 Benchmark to 90 (see Appendix 1 for the full list of companies covered by the 2015 Benchmark including their classification and countries of incorporation).

## Box 1: New Companies in the 2014 Benchmark

- Albertsons
- Target Corporation
- Wesfarmers Ltd
- Woolworths Limited
- Loblaw Companies Ltd
- Chipotle Mexican Grill
- ConAgra Foods Inc
- Dean Foods Co
- Fonterra
- Sysco
- Gruppo Veronesi

There was broad support for the addition of the 11 new companies. Many of the respondents suggested that increasing the scope of companies would strengthen the Benchmark in two ways: (1) by increasing its appeal to investors, and (2) by

<sup>&</sup>lt;sup>2</sup> The organisations that provided us with written responses were: BRF, Cranswick Foods, Elanco Animal Health Response, Greggs, NEI Investments, Nestlé, Subway, The Humane Society of the US (HSUS) and Whitbread.



increasing its appeal to companies who are keen to see more of their suppliers and their industry peers evaluated by the BBFAW. Reflecting feedback we have received in previous years, there was also support for increasing the number of companies in North America, and the inclusion of Australia, Canada and New Zealand as part of the BBFAW's expansion into new geographical regions.

Respondents provided the following additional comments on company coverage:

- A number of organisations expressed interest in expanding the geographic scope of the Benchmark, with some respondents particularly interested in the inclusion of Asia and South Asia, as well as expanding the scope of companies in Canada and South America:
  - Adding businesses across other geographic regions can only strengthen the profile and credibility of the BBFAW making it more representative of the global food industry.
  - There are only three companies from South America and they are all Brazilians.... if South America is really the focus of the 2015 Benchmark, the scope should be extended to other countries such as Argentina, Uruguay and Mexico.
  - Add more companies from South America, but also the sector where they operate. We cannot have only meat producers from South America. We should have also retailers and some restaurants.
  - We would like to see several Canadian companies added to the 2015 Benchmark or future iterations of the Benchmark. [This] would provide in country comparison of animal welfare disclosure and performance of Canadian food retailers, restaurant and bars and food producers. By benchmarking these companies, it would enhance the capacity of shareholders to engage Canadian companies on animal welfare topics. We would prioritise adding Canadian retailers into the benchmark over other sectors.
  - I know that you already have plans to include China in the future which I agree with, especially as they have 50% of the world pig population.
  - We would like to see more inclusion of other UK [quick service restaurants] (QSRs) and casual dining chains and particularly the intermediate large food processors where they are one step closer to the producers than the end-users.
  - We have no objection to you increasing the scope of the Benchmark.
     We would like to see the current list of companies extended further in



a way that fairly represents the operations taking place, in the variety of markets, across the different regions of the world.

- In development of the benchmark within a global context, it may be useful to determine a sampling strategy that incorporates the current inclusion criteria of size, influence, and country of origin/listing in a quantifiable method. For example, within the 2014 BBFAW, there was a > 70% of companies from European countries. As the program grows, it may be beneficial to set proportional guides for inclusion of companies that are representative of sub-categories (e.g. emerging markets, geographic region, company classification within the food chain).
- A number of respondents suggested additional companies to consider in future Benchmark iterations. These included:
  - Anglo Beef Processors (ABP), Asda, Fogo de Chão, Karro, Leprino Foods Inc (suggested by companies)
  - Cara Operations Limited, Empire Company Limited, Maple Leaf Foods Inc Metro Inc, Restaurant Brands Inc and Saputo Inc (suggested by an investor).

## **BBFAW** comment:

In line with our objective to expand the Benchmark to include the most relevant players in the food industry globally, we plan to bring the total number of companies covered by the Benchmark to 100 by 2016, and potentially extending the scope beyond this from 2017. We will, as part of our annual review of companies, give careful consideration to the suggestions made by respondents – including the proportional representation of companies geographically – in early 2016, and we will publish a proposed list of additional companies as part of the 2016 Consultation.

We acknowledge that the 2015 and 2016 Benchmarks will not cover many companies from the emerging markets. In part, this is because we want to use the 2015 and 2016 Benchmarks to consolidate our coverage of existing regions (namely the US and Europe) and begin our coverage of Australasia and Canada. In part, this is because we intend using the period 2015 to 2016 to establish a dialogue with stakeholders in the geographic territories not yet covered by the Benchmark (as we have previously done in the US and Europe), as a prelude to extending the geographic coverage of the Benchmark in 2016 and beyond.



## **Revisions to Benchmark Scoring**

In the Consultation Document, we proposed the introduction of a phased approach to performance scoring that would see the weighting of performancerelated questions increase from 10% in 2015 to, potentially, 35% in 2018. This supports our aim to increase the focus on company performance over time. We also proposed that the performance questions remained unchanged from 2014.

Based on the feedback received, we decided to introduce scoring for the performance questions from the 2015 Benchmark, with the weighting of these questions starting at 10%. The full list of questions and their weightings in the 2015 Benchmark is presented in Appendix 2.

While there was broad support of the principle that business should monitor and record welfare performance to drive improvement, and that the BBFAW should implement a phased approach to scoring from the 2015 Benchmark, there were some ongoing concerns about how performance reporting can be feasibly assessed and scored, given differences across sectors and varying complexities of company supply chain operations. Broad themes and comments from respondents appear below:

- A review of existing criteria to ensure that performance measures are appropriately integrated:
  - There may be a need to provide clarity on what qualifies as performance-based (reporting and effect) questions.
    - In the proposed 2015 Benchmark, Q13 appears to be redundant scoring for reporting performance of welfare outcomes, and it is vague if this will be considered relative to the new performance reporting category (Q20-23).
    - For clarity, Question 23 should be specific to reporting proportion of animals within specific metrics if that is the required method of reporting for any points to be awarded (if this is actually correct).
    - Exclusion of other management reporting criteria (i.e. factors covered in Q5-8, BBFAW 2014) begets the question of the relevancy of Q5-8 criteria to welfare if they are not included as relevant metrics for reporting. It may be worth considering integration of the reporting into existing questions to reduce redundancy in emphasis on certain reporting factors.
    - Reporting criteria could be concentrated to existing questions as additional points for showing the managerial commitment to their policies through action beyond global commitment,



with subsequent increases in the points available for reporting within each of the relevant criteria.

- If the reporting criteria were incorporated into Q4, 9, and 10 it would be similar to the nested-level approach in Q3,13,14,15, and 16 and may align the structure of scoring on reporting criteria with the intent of metricizing managerial commitment.
- In Q4-10 reporting is requested on input criteria for animal welfare, such as housing system and stunning method, which may reflect the risk for certain negative welfare outcomes. However, the risk does not always accurately capture the effect of input criteria on the animal's ability to cope within the conditions in which it lives. While this is captured in Q23, it should be propagated throughout all reporting criteria.
- While we are supportive, we do recognize that other platforms for scoring disclosure and performance on environmental and social issues have faced challenges when phasing in performance based scoring. For illustrative purposes, when CDP made changes to the processes relating to scoring, companies were not prepared for those changes and felt they had not been adequately consulted before the CDP decided to proceed with the changes. Consideration should be given to the long-term relationship that the Benchmark has with companies and how the performance scoring can be introduced in a way that doesn't create friction between companies and the secretariat. Ultimately company performance is the goal so we are supportive of the Benchmark going in this direction so long as there is adequate consultation.
- We very much agree with BBFAW's statements that efforts should be made to report on "indicators from the animals themselves" and recognise the difficulty of scoring such criteria relative to the advancements in science-based welfare assessment methods. Every effort should be made to incorporate the advancements in scientific evaluation of quantitative and objective scoring methods that exist, and are in development today, within expectations for meaningful reporting criteria from businesses. Furthermore, it should be explicit that many welfare scoring criteria have the potential for subjective bias regardless of quantification, and any valuebased assumptions made as explicit as possible in alignment with OIE and other recommendations for animal welfare assessment schemes.



- Clear scientific-basis for criteria, either through referencing within rationale section or through a supporting document that is a science-based review of all available evidence for effects of criteria on animal welfare and supports the direction of increased scoring. For example, althouah maximum transportation time has definitely been shown to be related to welfare outcomes, the effect of the duration is largely based on duration as a proxy for hazard exposure to other factors which qualify the animal's experience of transportation. While information is given in the rationale section of each criteria, there is a lack of multi-stakeholder review of criteria to ensure relevancy of performance metrics to global standards of higher animal welfare, or alternatively there is a lack of transparency of existing review process and outcome to external stakeholders.
- We would suggest that "performance effect" is more accurate than "performance impact", although "effect" may be less preferred by some for promoting welfare due to the emotional trigger associated with "impact".
- Whether it is premature to introduce performance-based questions:
  - 2015 is a little bit early. You could propose a system where reporting on performance-based question will be a bonus, but will not penalise the companies that do not report on them.
  - Implementing this measurement takes time, especially when you have to do it along the supply chain. Many companies still have to implement basic components of the BBFAW. If the criteria are tougher each year, some companies may feel discouraged. Usually, certification schemes increase their compliance level every 3 to 4 years. This is why I am proposing a bonus system that will reward the good guys but that will not penalize the others.
- Whether it is too commercially sensitive for companies to publicly report on welfare outcome measures:
  - Companies should advised to give some specific KPI's to report on. This will enable you to compare like for like on certain topics and report some statistics on future reports. One of the main reasons why some companies do not show outcomes to the general public is that they are concerned that the information can be reported on negatively by the media. For example. If a processor reports that 0.2% of animals are lame then many would deem that as a good outcome to report. If the company processes 1 million animals per year that would equate to 2,000 lame animals. Certain sectors of the media would then headline this "thousands of lame animals are processed



by XY Company". This can damage the business and can be counter -productive. There will be a point where the Benchmarking exercise reaches a level where the scores plateau because some companies will be reticent to publicly show data.

- Whether some industry sectors can be expected to report on performance pertaining to animals per se versus parts of animals:
  - Performance measure will be challenging for the end-user company if buying criteria is based on seasonality, availability, and whole composite products/dishes are bought - In addition, some companies will only require specific cuts from one animal with the rest of the carcass being used by other companies - who has responsibility of the performance measure in that situation? The extent of performance disclosure will be dependent on consumer and other stakeholder interest as with any disclosure or external communications.

## **BBFAW** comment:

We appreciate that, for the majority of companies, reporting on performance measures will be a challenge and will take some time. We have, therefore, decided to continue with our phased approach to the performance questions; we introduced but did not score these questions in 2014, we have allocated a 10% weighting to these in 2015 and intend progressively increasing the weighting allocated to these questions up to 35% in 2018.

We value the specific comments and recommendations proposed (including the need to revise/consolidate some existing questions) and we will consider these and other stakeholder suggestions as part of the development of performance questions in the Benchmark criteria in early 2016.

## 2. Suggestions on amendments to the 2015 Benchmark questions

In addition to the specific comments above we received a number of comments and suggestions on how the Benchmark could be made more useful or how it might evolve. Specific comments included:

- One company proposed expanding the scope of the criteria on the routine use of antibiotics to include antimicrobial use:
  - We would propose that Q7 be broadened to incorporate "responsible antimicrobial use" rather than focus solely on abuse of prophylactic use of antibiotics. The responsible prophylactic use of antibiotics has the ability to mitigate risk of suffering, subsequently



reducing risks of negative effects of disease on animals' welfare. Prevention of disease and subsequent animal suffering should first and foremost employ comprehensive management plans, including alternatives such as good management and appropriate innovation (e.g. vaccines). The current wording and focus on reduction in routine antibiotic use can be misleading to include responsible prophylactic use to mitigate disease risk. We very much support the responsible use of antibiotic to mitigate risk of the development of antibiotic resistance, for the benefit of human and non-human animals. This approach alians with the auidance from the OIE Terrestrial Animal Health Code, indicating consideration of prudent use of antimicrobial agents in veterinary medicine to comprise a series of practical measures and recommendations which confer benefits to animal and public health while preserving and maintaining the therapeutic efficacy of antimicrobials. Effective action to mitigate animal welfare risks (including the temporal risk of antimicrobial resistance and the welfare of current and future animals) requires a broad and deep recognition of the complexities of resistance mechanisms and function of different antimicrobial molecules. Such approach must be particularly cognizant of the classifications of molecules as antibiotics, which may not align with risk of resistance mechanisms, and should focus on both welfare and resistance outcomes through proper risk assessment models. Resistance can develop too many antimicrobials including antibiotics, disinfectants, and certain metals, due to the complex nature of the development, transfer, and selection of resistance mechanisms. Resistance also differs from tolerance concerns due to different mechanisms that relate to the overall efficacy of the antimicrobial, in both current and future situations. Therefore, isolation of antibiotics without the concept of responsible use may not adequately address welfare concerns of appropriate disease management. Furthermore, broad "reduction" statements may lead to complete removal of important tools for treatment of disease, with the potential to prolong suffering due to ineffective treatment, delay of treatment due to marketing requirements, and removal subsequent benefits to the welfare of animals that are responsibly treated under comprehensive management plans. While antimicrobials should never replace good management nor allow perpetuation of poor management practices, responsible application of these technologies has benefits to ensuring higher welfare for the animals that enrich our lives. Definitions of antibiotics should align with global definitions and classifications (e.g. WHO, OIE) to avoid confusion with external (to BBFAW) initiatives, particularly in sustainability CSR, and clarity in reporting with BBFAW.

## 3. Suggestions on developing the Benchmark over time

• One NGO suggested that the BBFAW might seek to consolidate performance measures into existing criteria:



- After the 2015 Benchmark, it may be valuable to pause and consider harmonising the organisation of the benchmark questions to reflect the incorporation of performance reporting, respect for global values, and scientific evidence (the latter through citation of comprehensive reviews of criteria rather than clutter the report with scientific references). While disclosure of actual scores may not be done due to confidentiality or other reasons, the year over year refinement of the tool and adjustment of weighting may obscure changes in tier classifications as resulting from true changes in commitment to animal welfare and execution of good animal welfare in supply chains or if it is due to methodology differences and the edge effect inherent with set category thresholds.
- The same NGO suggested that the BBFAW should show greater veracity in the development and assessment criteria and scoring:
  - Development and disclosure of accuracy and reliability metrics for the assessment may be helpful in establishing the BBFAW as a robust tool for assessment, if combined with increased stakeholder engagement and disclosure of science-based evaluation of criteria rationale, explanatory notes, and investor briefings.
  - We refer to our response to Q7 regarding the need for clear communication of the scientific evidence to support the inclusion of criteria and support scoring system.
  - We as well as reiterate that the process of scientific review and/or increased clarity of criteria explanations should be globally inclusive, of both geography and diversity of food animal stakeholders, to ensure a robust BBFAW that is reflective of the ability of the animal to cope with their environment and the societal concerns for animal welfare.
  - We recommend engaging in a multi-stakeholder scientific review of performance criteria specific to determining the effect of the metric on the welfare of the animal, and consideration of the potential application of the risk management framework to guide the review process.
  - Disclosure of the effect, size or market permeation of those being benchmarked relative to their respective sector and country subclasses to allow BBFAW to report on its own performance metrics, particularly in reference to the targets for inclusion criteria for companies to participate in the BBFAW.



- With recognition of operation of the BBFAW within a global community, consideration should be given towards respect of global values in animal welfare. The implementation of EU legislation as justification for criteria may be supplemented or augmented with alignment with OIE or other international bodies that incorporate global views of animal welfare, elsewise value-based assumptions on the weighting of welfare criteria should be made as explicit as possible in alignment with the OIE guiding principles for animal welfare.
- Summary document/infographic of an example of a company scoring calculation and subsequent overall score to delineate methodology. Additional visual tools to understand decision flow in scoring may also be useful for communicating the process and value of BBFAW.
- One company proposed the inclusion of a new question on company collaborations with NGOs to drive higher welfare standards:
  - Include criteria on collaboration or partnership with farm animal welfare organisation(s) to improve farm animal welfare in corporate supply chains.
- Another company questioned whether producers were not adequately recognised for their role in supporting customers in their leadership and innovation projects:
  - Question 18 relates to "notable awards or accreditations....." We have been instrumental in other companies (our customers) winning awards. However, this is not recognised in this report. Is there a possibility that processors can be recognised in this area?
- Another company suggested strengthening the governance of the BBFAW by expanding the scope of the TWG membership:
  - I would encourage you to expand the governance of the BBFAW to make it multi-stakeholder and therefore more credible. Having just NGOs and investors in the TWG might be questionable. You might think about involving academics, consumers and business associations for instance.
- One investor suggested:
  - Perhaps the Benchmark would be well served by promoting collaboration similar to the Access to Medicine Index which fosters very strong discussions between investors and companies about how to move the industry forward from a policy perspective.



- Analysis on best practices in government policy on farm animal welfare might also be helpful for investors. Oftentimes companies alone cannot be the solution to meeting societal expectations for environmental and social performance. It would be helpful for investors to have an understanding of what the best practices are in animal welfare policy worldwide so we can effectively respond to government consultation on these subjects/engage more actively in the policy debate on animal welfare.
- One NGO commented on the usefulness of the Benchmark in driving change:
  - We believe it's a wonderful concept that can do a great deal for farm animals, though I fear the way it's been implemented thus far may cause tremendous damage to efforts seeking improvements in farm animal welfare. ...Our concern is that the BBFAW seems to reward words rather than actions, and helps those companies which refuse to make changes 'humane-wash' their lack of action rather than making improvements. We do think the Benchmark has great potential though, and I appreciate you hearing us out on these concerns.

## **BBFAW** Comment

We will consider these suggestions (in particular, the comments on performance scoring and the process and rationale for developing the criteria and scoring) in more detail as part of our annual review of the Benchmark scope and criteria in early 2016.

In response to other specific points:

- Company collaborations with NGOs to drive higher welfare standards can play an important role in the way that companies develop their management approach to farm animal welfare. However, we recognise that companies seek out and benefit from various external inputs – with NGOs, with consultants, with customers, with suppliers - when developing their policies and management systems. As such, we do not think that a specific question on collaborations with NGOs would provide useful insights beyond the information in question 17 on leadership and innovation (which credits specific projects or initiatives that are aimed at driving higher welfare within the industry).
- We acknowledge that processors and producers play an important role in supporting and furthering customer standards on farm animal welfare. However, a number of processors and producers in the Benchmark do



receive awards and recognition for their animal welfare innovations, and from our analysis, we do not consider there to be an unfair bias towards other subsectors scoring on this question.

- The governance of the BBFAW, including the composition of the TWG, is overseen by the BBFAW Steering Committee. Given that the BBFAW consults multiple stakeholders (as part of its annual consultation review and through its dialogue during the year), there are no immediate plans to change the composition of the TWG, although this may feature as part of the planning of the BBFAW programme beyond 2016.
- The BBFAW believes it is now well placed to begin fostering discussion between investors and companies. As such, in 2015, we launched to first global investor collaboration on farm animal welfare involving 18 major institutional investors. We intend to build on this process in 2016 and beyond.
- Through the BBFAW briefing papers, our aim is to alert and inform investors on issues that extend beyond company practice on farm animal welfare. Previous briefings have included updates on existing and prospective legislation<sup>3</sup>, as well as issues not yet adequately covered by legislation<sup>4</sup>. We welcome suggestions on topics for future briefing papers and note that many of the briefing papers on specific welfare issues have been developed in response to requests from investors.
- We acknowledge one NGO's concern that the BBFAW Benchmark rewards companies on the quality of their disclosure on farm animal welfare and that the results may not necessarily correlate with its understanding of company practices. While we respect this viewpoint, and we agree that good disclosure does not necessarily equate to good performance on farm animal welfare, we offer the following comments:
  - Our primary interest is in the welfare of animals and in the animal welfare outcomes that are achieved. Given the reality that corporate reporting on farm animal welfare is systematically poor and limited, this makes it difficult for investors and other stakeholders to meaningfully assess the quality of corporate policies or of performance. Thus, the Benchmark provides a stepping stone towards achieving higher welfare standards in the food industry, by enabling stakeholders to engage with companies on the policies, systems and processes that they need to have in place as an essential precursor to delivering high farm animal welfare outcomes across their entire business. It is about delivering and institutionalising systemic change across an entire

<sup>&</sup>lt;sup>3</sup> For example, BBFAW Investor Alert on Member Compliance with EU Directives Banning the Sow Stall and the Barren Battery Cage

<sup>(</sup>http://www.bbfaw.com/media/1046/investor\_alert\_no9\_member\_state\_compliance.pdf) <sup>4</sup> For example, BBFAW Briefing on The Impacts of the Use of Antibiotics in Animals on Human Health and Animal Welfare (<u>http://www.bbfaw.com/media/1070/briefing-17-impacts-of-antibiotic-use-in-animals-on-human-health-and-animal-welfare.pdf</u>)



business.

- For investors, in particular, evidence and insight is vital to driving real change. It provides the basis on which investors can assess companies on the quality of their management approach and inform their engagement with companies on how they are managing risks and opportunities associated with farm animal welfare in their business operations. Importantly, the Benchmark creates a clear accountability mechanism for the accuracy of corporate disclosures, for the development and implementation of effective policies, and ultimately for performance. Investors rely on accurate information to make investment decisions, and will look extremely critically at companies whose disclosures are proved to be inaccurate or misleading.
- The Benchmark does more than rank companies; it is changing the way that food companies are thinking about how they manage and disclose information about their farm animal welfare approach. Evidence of this can be seen in the 2015 Benchmark, which indicates that 12 companies in the lowest two tiers of the 2014 Benchmark have improved their management and reporting approach sufficiently to move up at least one tier.
- While improving corporate disclosures will remain important, it has always been a longer-term intention of the BBFAW for the Benchmark to focus on company performance and the reporting of farm animal welfare indicators. From 2015, we have begun to score companies on their performance relating to key welfare issues and welcome outcomes and we intend to increase the weighting of performance criteria in future years.

We would like to express our thanks to all of the respondents for their comments on the Consultation Document and for the suggestions on how the Benchmark might be strengthened. This feedback is hugely important in ensuring that the Benchmark remains a relevant and useful tool for companies, investors and other stakeholders.



# **Authors**

This consultation summary has been prepared by Nicky Amos and Rory Sullivan.

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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 <u>www.bbfaw.com</u> or contact the Programme Director, Nicky Amos: <u>nicky@nicky-amos.co.uk</u>.



Coller Capital





# Appendix 1: Core Company List for the 2015 Benchmark

	Company	ICB Classification	Country of
1		5227. Food Dotailors and What a sale re-	incorporation
1	Ahold/Ica Eiendom Norge AS	5337: Food Retailers and Wholesalers	Sweden
2	Albertsons	5337: Food Retailers and Wholesalers	USA
3	Aldi Nord (Aldi Markt)	5337: Food Retailers and Wholesalers	Germany
4	Aldi Süd/Aldi Einkauf GmbH & Co	5337: Food Retailers and Wholesalers	Germany
5	Carrefour SA	5337: Food Retailers and Wholesalers	France
6	Casino Guichard-Perrachon SA	5337: Food Retailers and Wholesalers	France
7	(The) Co-operative Food (UK)	5337: Food Retailers and Wholesalers	UK
8	Coop Group (Switzerland)/Coop Genossenschaft	5337: Food Retailers and Wholesalers	Switzerland
9	Costco Wholesale Corp	5337: Food Retailers and Wholesalers	USA
10	Delhaize Group SA	5337: Food Retailers and Wholesalers	Belgium
11	Edeke Zentrale	5337: Food Retailers and Wholesalers	Germany
12	El Corte Inglés SA	5337: Food Retailers and Wholesalers	Spain
13	Groupe Auchan SA	5337: Food Retailers and Wholesalers	France
14	J Sainsbury Plc	5337: Food Retailers and Wholesalers	UK
15	Koninklijke Ahold NV	5337: Food Retailers and Wholesalers	Netherlands
16	Kroger Company (The)	5337: Food Retailers and Wholesalers	USA
17	Lidl Stiftung & Co KG	5337: Food Retailers and Wholesalers	Germany
18	Loblaw	5337: Food Retailers and Wholesalers	Canada
19	Marks & Spencer Plc	5337: Food Retailers and Wholesalers	UK
20	Mercadona SA	5337: Food Retailers and Wholesalers	Spain
21	Metro AG	5337: Food Retailers and Wholesalers	Germany
22	Migros-Genossenschafts-Bund	5337: Food Retailers and Wholesalers	Switzerland
23	Rewe Group	5337: Food Retailers and Wholesalers	Germany
24	Schwarz Unternehmens	5337: Food Retailers and Wholesalers	Germany
	Treuhand KG/Kaufland		,
25	Sysco Corporation	5337: Food Retailers and Wholesalers	USA
26	Target Corporation	5337: Food Retailers and Wholesalers	USA
27	Tesco Plc	5337: Food Retailers and Wholesalers	UK
28	Waitrose	5337: Food Retailers and Wholesalers	UK
29	Walmart Stores Inc/Asda	5337: Food Retailers and Wholesalers	USA
30	Wesfarmers	5337: Food Retailers and Wholesalers	Australia
31	Wm Morrison Supermarkets Plc	5337: Food Retailers and Wholesalers	UK
32	Woolworths Limited	5337: Food Retailers and Wholesalers	Australia
33	Aramark Corporation	5757: Restaurants and Bars	USA
34	Autogrill SpA	5757: Restaurants and Bars	Italy
35	Burger King Corporation	5757: Restaurants and Bars	Canada
36	Camst - La Ristorazione Italiana Soc. Coop. ARL	5757: Restaurants and Bars	Italy
37	Chipotle Mexican Grill	5757: Restaurants and Bars	USA
38	Compass Group Plc	5757: Restaurants and Bars	UK
39	Cremonini SPA	5757: Restaurants and Bars	Italy
40	Darden Restaurants Inc	5757: Restaurants and Bars	USA
41	Domino's Pizza	5757: Restaurants and Bars	UK
42	Elior	5757: Restaurants and Bars	UK



43	SSP Group Limited	5757: Restaurants and Bars	Sweden
44	Gategroup Holding AG	5757: Restaurants and Bars	Switzerland
45	Greggs Plc	5757: Restaurants and Bars	UK
46	JD Wetherspoon Plc	5757: Restaurants and Bars	UK
47	McDonald's Corporation	5757: Restaurants and Bars	USA
48	Mitchells & Butlers Plc	5757: Restaurants and Bars	UK
49	Olav Thon Gruppen AS	5757: Restaurants and Bars	Norway
50	Quick	5757: Restaurants and Bars	France
51	Sodexo	5757: Restaurants and Bars	France
52	Starbucks Corporation	5757: Restaurants and Bars	USA
53	Subway	5757: Restaurants and Bars	USA
54	Umoe Gruppen AS	5757: Restaurants and Bars	Norway
55	Wendy's Company (The)	5757: Restaurants and Bars	USA
56	Whitbread Plc	5757: Restaurants and Bars	UK
57	Yum! Brands, Inc	5757: Restaurants and Bars	USA
58	2 Sisters Food Group	3570: Food Producer	UK
59	Arla Foods Ltd	3570: Food Producer	Denmark
60	Associated British Foods Plc	3570: Food Producer	UK
61	Barilla SPA	3570: Food Producer	Italy
62	BRF (Brasil Foods)	3570: Food Producer	Brazil
63	Cargill	3570: Food Producer	USA
64	ConAgra	3570: Food Producer	USA
65	Cranswick Plc	3570: Food Producer	UK
66	Dairy Crest Plc	3570: Food Producer	UK
67	Danish Crown AmbA/Tulip	3570: Food Producer	Denmark
68	Dean Foods	3570: Food Producer	USA
69	Terrena Group/Gastronome	3570: Food Producer	France
70	Ferrero SpA	3570: Food Producer	Italy
71	Fonterra	3570: Food Producer	New Zealand
72	General Mills Inc	3570: Food Producer	USA
73	Groupe Danone SA	3570: Food Producer	France
74	Groupe Lactalis	3570: Food Producer	France
75	Gruppo Veronesi	3570: Food Producer	Italy
76	H.J. Heinz	3570: Food Producer	USA
77	JBS SA	3570: Food Producer	Brazil
78	Kraft Foods Group Inc	3570: Food Producer	USA
99	Mondelēz International	3570: Food Producer	USA
80	Marfrig Alimentos SA/Moy Park	3570: Food Producer	Brazil
81	Mars Inc	3570: Food Producer	USA
82	Müller Group AG	3570: Food Producer	Germany
83	Nestlé SA	3570: Food Producer	Switzerland
84	Noble Foods Ltd	3570: Food Producer	UK
85	Premier Foods Plc	3570: Food Producer	UK
86	Royal Friesland Campina NV	3570: Food Producer	Netherlands
87	WH Group/Smithfield Foods	3570: Food Producer	PRC
88	Tyson Foods Inc	3570: Food Producer	USA
89	Unilever NV	3570: Food Producer	Netherlands
90	VION Food Group	3570: Food Producer	Netherlands



# Appendix 2: Evaluation Criteria for the 2015 Benchmark

Management Commitment and Policy		
Question 1.	Does the company acknowledge farm animal welfare as a busin issue?	ess
Rationale	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.	
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> <li>(Max Score 10)</li> <li>This question was looking for an acknowledgement by the parent company that farm animal welfare is a business issue.</li> <li>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.</li> <li>The score did not take account of the specific reasons advanced.</li> <li>The score did not take account of the importance assigned by companies to farm animal welfare (e.g. relative to other corporate responsibility issues). The importance assigned by individual 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.</li> </ul>	

Question 2.	Does the company publish an overarching corporate farm animo welfare policy (or equivalent)?	al
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	10



	place to ensure that the policy is effectively implemented.
	(Max Score 10)
Explanatory Notes	<ul> <li>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.</li> <li>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.</li> <li>Companies that supplemented these commitments or principles with details of how these were to be implemented were awarded a score of 10 points. To score maximum points, company farm animal welfare policies needed to include most/all of the following:         <ul> <li>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)</li> <li>A clear position with regard to expected standards of farm animal welfare</li> <li>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)</li> <li>A commitment to continuous improvement and public reporting on performance.</li> </ul> </li> </ul>

Question 3.	Does the policy statement provide a clear explanation of scope?	
Rationale	Understanding the scope of a policy is important to understand the breadth of a company's commitment to action on farm animal welfare.	
Scoring	Scope not specified	0
Geographic	Not specified	0
scope	Scope is limited to certain specified geographies	2
	Scope is universal across all geographies	5
Species	Not specified	0
covered	Scope is limited to certain specified species	2
	Scope is universal across all relevant species	5
Products	Not specified	0
covered	Scope is limited to own-brand products or ingredients (i.e. the policy does not apply to imported or other brand products)	2



Question 4.	Does the company have a clear position on the avoidance of close confinement and intensive systems for livestock (e.g. sow stalls, concentrated animal feeding operations (CAFOs), feedlots, farrowing crates, single penning, battery cages, tethering, veal crates, force feeding and, for finfish, high stocking densities and close confinement of solitary finfish species)?	
Rationale	Many of the most significant farm animal welfare concerns result from close confinement practices (such as those listed above) or from high stocking densities in the case of finfish. It is good practice for companies to commit to no close confinement of farm animals and	



	to avoid excessively high stocking densities.	
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 and 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		



Question 5.	Does the company have a clear position on the avoidance of products from farm animals subject to genetic engineering or clo and/or their progeny or descendants throughout its products?	oning
Rationale	Both cloning and genetic engineering raise serious animal welfar concerns <sup>5</sup> . In farmed fish species this includes heat treatment of e to induce triploidy, which renders fish sterile.	
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 and 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		

<sup>&</sup>lt;sup>5</sup> 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), <u>http://www.bbfaw.com/media/1083/briefingno6\_cloning-and-genetic-engineering-of-farm-animals.pdf</u>



	<ul> <li>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. For example, we did not consider statements relating to genetically modified crops used in animal feed.</li> <li>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.</li> </ul>
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Question 6.	Does the company have a clear position on the avoidance of gropromoting substances?	owth
Rationale	Antibiotics given at low doses improve food conversion rates, most likely by changing the composition of gut microbiota in a way that enables animals to grow faster using less feed. Hormonal growth promoters are used to specifically promote abnormal muscle growth or milk production in animals farmed for food. The use of growth promoting substances can undermine animal welfare, as they may enable animals to grow or produce milk in a way that puts excessive strain on their physiological capabilities. While the use of hormonal growth promoters and the use of antibiotics for growth promotion are banned in the EU, their use is widely practised outside of Europe.	
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. The company has made a partial commitment to the avoidance of growth promoting substances, but the scope (in terms of geography, species and products) is clearly defined. Universal commitment to the avoidance of growth promoting substances.	1 3 5
	(Max Score 5)	
Explanatory Notes	<ul> <li>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.</li> <li>Simply stating compliance with legislation was not treated as a proxy for having a clear position on the avoidance of growth</li> </ul>	

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promoting substances. The reasons are (a) legislation, even in the
EU, does not cover all relevant issues <sup>6</sup> , (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 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 (e.g. compliance
with the standard was presented as a way of delivering on its
commitment to the avoidance of growth promoting substances).
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).

Question 7.	Does the company have a clear position on the reduction or avoidance of antibiotics for prophylactic use?	
Rationale	The over-use of antibiotics in humans and in animals is directly link to the increase in antibiotic resistance. The use of antibiotics on-for (typically through feed or water) is frequently prophylactic; effect 'propping up' intensive farming systems where animals are kept in confined and stressful conditions and where their immune system compromised and disease outbreaks can spread rapidly <sup>7</sup> . Companies are expected to commit to reducing the levels of antibiotics they administer routinely and to develop animal production systems that are not reliant on the routine use of antibiotics for disease prevention.	arm tively n
Scoring	No stated position.	0
	The company has made a partial commitment to the reduction or avoidance of the routine use of antibiotics, but the scope (in terms of geography, species or products) is not clearly defined.	1
	The company has made a partial commitment to the reduction or avoidance of the routine use of antibiotics, and	3

 <sup>6</sup> 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 is not true of products produced with antibiotic growth promoters.
 <sup>7</sup> See, further, Vicky Bond and Jemima Jewell (2014), The Impacts of Antibiotic Use in Animals on Human Health and Animal Welfare. BBFAW Investor Briefing No. 17 (BBFAW, London). http://www.bbfaw.com/media/1070/briefing-17-impacts-of-antibiotic-use-in-animals-on-human-health-and-animal-welfare.pdf



	the scope (in terms of geography, species and products) is clearly defined.	
	Universal commitment to the reduction or avoidance of the routine use of antibiotics across all geographies, species and products.	5
	(Max Score 5)	
Explanatory Notes	<ul> <li>We defined antibiotics as medicines used to control infectious diseases in humans and animals. There are four broad categor of on-farm use of antibiotics, namely: therapeutic (i.e. giving of treatment when clinical disease is identified), metaphylatic (i. giving treatment to a group of animals when some are showin signs of illness), prophylactic (i.e. giving a treatment to an animor group of animals in anticipation of a disease or when there risk of infection), and growth promotion (i.e. giving antibiotics improve the growth rates of animals).</li> <li>This question was looking for a clear position on the reduction avoidance of antibiotics for prophylactic use.</li> <li>Simply stating compliance with legislation was not treated as proxy for having a clear position on the reduction or avoidance standard that prohibits or restricts antibiotic use was not treated as proxy for having a clearly stated position, unless the commitment to reduction or avoidance of antibiotics or avoidance of antibiotic use a proxy for having a clearly stated position, unless the commitment to reduction or avoidance of antibiotic and the prohibits or avoidance of antibiotic use was made explicit (e.g. compliance with the standard was preser as a way of delivering on its commitment to the reduction or avoidance of antibiotic use).</li> </ul>	ories a e. ng mal is a to or a ce of

Question 8.	Does the company have a clear position on the avoidance of rom mutilations (castration, teeth clipping, tail docking, toe clipping, dehorning, desnooding, de-winging, disbudding, mulesing, beak trimming, fin clipping)?	
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 ke branding with hot irons, dehorning of dairy cattle with hot irons, castration and tail docking of pigs, and fin clipping in finfish aquaculture.	nives,
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 and products) is clearly defined.	3
	Universal commitment to avoidance of routine mutilations	5



	across all relevant species, own-brand and other branded products and geographies. (Max Score 5)
Explanatory Notes	<ul> <li>This question was looking for a clear position on the avoidance of routine mutilations.</li> <li>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 but did not have a formal policy were, therefore, awarded zero points.</li> <li>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 (e.g. compliance with the standard was presented as a way of delivering on its commitment to the avoidance of routine mutilations).</li> <li>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 1 point.</li> </ul>

Question 9.	Does the company have a clear position on the avoidance of me from animals that have not been subjected to pre-slaughter stun or (in the case of finfish) meat from animals that have not been rendered insensible?	
Rationale	It is essential to render an animal unconscious before it is slaughted in order for it to be insensible to pain, discomfort and stress, until death occurs.	ered
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 or from finfish that have not been rendered insensible 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 or from finfish that have not been rendered insensible and the scope (in terms of geography, species and products) is clearly defined.	3
	Universal commitment to avoid the use of meat from animals that have not been subjected to pre-slaughter stunning or from finfish that have not been rendered insensible across all species, own-brand and other branded products and geographies.	5



	(Max Score 5)
Explanatory Notes	<ul> <li>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 (or rendered insensible in the case of finfish)</li> <li>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 but did not have a formal policy were awarded zero points.</li> <li>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 (e.g. compliance with the standard was presented as a way of delivering on its commitment to the avoidance of meat from animals that have not been subjected to pre-slaughter stunning).</li> <li>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.</li> <li>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 to account for religious concerns (e.g. for Halal meat for Muslim communities, 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.</li> </ul>

Question 10.	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. In the case of farmed fish, handling practices and water quality conditions, particularly oxygenation, can have a significant impact on welfare.	
Scoring	No stated position.	0
	The company has made a partial commitment to avoid the	1



	use of long distance transport but the scope (in terms of	
	geography, species or products) is not clearly defined. The company has made a partial commitment to avoid the	3
	use of long distance transport and the scope (in terms of	5
	geography, species and products) is clearly defined.	
	Universal commitment to avoidance of long distance live	5
	transportation across all species, own-brand and other	
	branded products and geographies.	
	(Max Score 5)	
Explanatory Notes	<ul> <li>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.</li> <li>Simply stating compliance with legislation was not treated as proxy for having a clear commitment to the avoidance of long distance live transportation. The reasons are (a) legislation more 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 state that they complied with legislation but did not have a formal policy were, therefore, awarded zero points.</li> <li>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 the avoidance of long-distance transport) an the maximum journey time was specified.</li> <li>Companies that stated that transport distances are low (e.g. because of local sourcing, or the geographic boundaries of thareas where they operate) were not considered to have made policy commitment to the avoidance of long distance live transport.</li> </ul>	g ly ited the ce d he de a

Question 14.	Does the company describe its internal processes for ensuring that its farm animal welfare policy is effectively implemented?
Rationale	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.	
Scoring		
Training of Internal Staff	No information provided on employee training in farm animal welfare.	0
	Specific training provided to employees in farm animal welfare.	5
Internal Controls	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)	
Explanatory Notes	<ul> <li>The sub-questions (on training and on internal controls) were scored independently (i.e. the scores for each sub-question did not influence the scores for the other sub-questions).</li> <li>On training, companies were only awarded 5 points if the training provided was aimed at employees and if it explicitly addressed farm animal welfare-related issues.</li> <li>The training question did not address the quality of the training provided, the manner in which skills or competencies were assessed, the number of employees receiving training or the number of hours of training provided.</li> <li>On internal controls, companies were only awarded 5 points if they explicitly discussed the actions that they take in relation to non-compliance with their farm animal welfare policy. A number of the companies reviewed described their internal controls in relation to CSR or product quality-related policies. However, unless it was clear that these policies and processes also covered farm animal welfare, companies scored zero for this sub-question.</li> </ul>	



Question 15.	Does the company describe how it implements its farm animal welfare policy (or equivalent) through its supply chain?	
Rationale	Many of the business risks and opportunities associated with for animal welfare relate to companies' supply chains. Companie have the ability to influence their suppliers' performance both formally (e.g. through contracts, auditing processes) and infor (e.g. through capacity building and education).	
Scoring		
	No description of processes for implementing farm animal welfare policy through supply chain.	0
Supplier Contracts	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
Monitoring and Auditing	No information provided on how supplier compliance with contract conditions is monitored.	0
	Farm animal welfare specified as part of supplier auditing programme.	5
Education and Support	Specific support and/or education provided to suppliers on farm animal welfare policy/issues.	5
	(Max score 15)	
Explanatory Notes	<ul> <li>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).</li> <li>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.</li> <li>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.</li> </ul>	



companies scored zero for this sub-question.
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Question 16.	Does the company assure its welfare scheme to a prescribed standard?	
Rationale	Farm assurance schemes provide frameworks for managing for animals, including their health and welfare, provenance and 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 schem should lift the standards above the minimum. Where there is n species-specific legislation, assurance standards are increasin 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	Basic farm assurance standards typically do not go beyond legislative requirements for welfare 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	



<ul> <li>quality context) include the Red Tractor Farm Assurance Schemes, BEIC Lion Quality, Viande de Porc Française, Certification de Conformité de Produits, and Best Aquaculture Practice (BAP) Standards.</li> <li>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 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 Assured, Beter Leven, KRAV, Label Rouge, Neuland, GLOBALGAP 5-Step for certain species</li> <li>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 relevant basic or higher assurance standards outlined above in order for points to be awarded.</li> <li>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.</li> <li>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 reactive neinte</li></ul>	<ul> <li>Schemes, BEIC Lion Quality, Viande de Porc Française, Certification de Conformité de Produits, and Best Aquaculture Practice (BAP) Standards.</li> <li>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 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 Assured, Betr Leven, KRAV, Label Rouge, Neuland, GLOBALGAP 5-Step for certain species</li> <li>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 relevant basic or higher assurance standards outlined above in order for points to be awarded.</li> <li>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.</li> <li>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</li> </ul>	
receive points unless there was a clear description of the farm		<ul> <li>Schemes, BEIC Lion Quality, Viande de Porc Française, Certification de Conformité de Produits, and Best Aquaculture Practice (BAP) Standards.</li> <li>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 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 Assured, Beter Leven, KRAV, Label Rouge, Neuland, GLOBALGAP 5-Step for certain species</li> <li>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 relevant basic or higher assurance standards outlined above in order for points to be awarded.</li> <li>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.</li> <li>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</li> </ul>

	Innovation
Question 17.	Is the company currently investing in projects dedicated to advancing farm animal welfare practices within the industry?
Rationale	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.	
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> <li>The sub-questions (on research and development and indus initiatives) were scored independently (i.e. the scores for each sub-question did not influence the scores on the other sub-questions).</li> <li>Companies that reported on their involvement in initiatives of programmes to improve farming techniques on environment safety or quality grounds, for example, were not awarded a score unless there was a clearly defined farm animal welfare element to these initiatives.</li> <li>Similarly, only those industry initiatives that were explicitly directed at improving farm animal welfare were eligible to b scored.</li> <li>In order to receive a score of 5 points for either sub-question was necessary for companies to demonstrate not only that t initiatives had a meaningful farm animal welfare dimension that the company had played a significant role in the initiati 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 say that the company had attended roundtables or working groups with industry peers. However, if a company had initia or become a founding member of an initiative aimed at advancing farm animal welfare, a score of 5 points would he been awarded.</li> </ul>	ch r tal, e , it he out ve. / to g ted

Question 18.	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



Scoring	employees and signalling to senior management that farm anin welfare is an area where the organisation is achieving good/be practice. No evidence of notable awards or accreditations in the last two years. The company has received a notable award or accreditation for a single category or species. 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.	
	(Max Score 10)	
Explanatory Notes	<ul> <li>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 achievements were considered.</li> <li>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.</li> <li>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 or production systems.</li> <li>Awards made prior to 2013 were not counted for scoring purposes (i.e. only awards received in the 2 years prior to the assessment were considered).</li> <li>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.</li> </ul>	

Question 19.Does the company promote higher farm animal welfare to consumers through education and/or awareness-raising activRationaleCompanies have an important role to play in raising awarene farm animal welfare among their customers and clients. This, should contribute to increases in demand for higher welfare products.		ies?
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> <li>The activities that could be considered in this question were defined broadly. Examples included:         <ul> <li>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.</li> <li>On-pack or on-shelf labelling – provided this was evidenced on the company's website, in its published reports or on social media platforms.</li> <li>Information leaflets or information packs.</li> <li>Media promotions.</li> <li>Supporting third party campaigns or programmes e.g. the RSPCA Farm Animal Week.</li> <li>Customer farm visits, seminars or roundtables.</li> <li>Social media campaigns.</li> </ul> </li> <li>In order to receive a score of 5 or 10, the focus had to be on farm animal welfare.</li> <ul> <li>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.</li> </ul> </ul>	

	Performance Reporting		
Question 20.	Does the company report on the proportion of animals (or volume animal products) in its supply chain that are free from confinemen (i.e. those in barn, free range, indoor group housed, indoor free- farrowing, outdoor bred/reared)?		
Rationale	In addition to having clear policy commitments and management practices, companies are expected to maintain strict reporting criteria for animals in their supply chain. This question is looking specifically at measures linked to the housing systems and environmental enrichment of animals in their supply chains. This is because many of the most significant farm animal welfare concer- result from close confinement practices and barren living condition (such as barren battery cages, sow stalls, farrowing crates, veal crates, concentrated animal feeding operations (CAFOs), feedlo tethered systems, close confinement of solitary finfish species).	erns ons	
Scoring	No reporting on the proportion of animals free from confinement	0	
	The company reports on the proportion of animals free from	3	



	confinement, but this reporting is limited to certain geographies, species or own-brand products.	
	The company reports fully on the proportion of animals free from confinement, covering all relevant geographies, species and own-brand products.	5
	(Max Score 5)	
Explanatory Notes	<ul> <li>This question was looking specifically for explicit reporting on the proportion of animals that are free from close confinement. Companies that reported using proxy measures (e.g. the proportion of animals managed according to particular farm animal welfare standards) were not awarded points unless the explicitly stated that the standard meant that the relevant animals were free from confinement.</li> <li>Points were only awarded if the company was explicit about the proportion of animals affected. Companies that reported on total number of animals affected but did not put this number into context of the total number of animals used or processed were not awarded points.</li> <li>Companies that made general statements about "Our animal or "All animals" being free from close confinement were not awarded points unless there was clear evidence that key performance indicators (ideally by relevant species) were in place to monitor performance against policies and/or related targets or objectives.</li> </ul>	÷y ∙he ∙he

Question 21.	Does the company report on the proportion of animals in its supply chain that are subject to pre-slaughter stunning or (in the case of finfish) are rendered insensible?	у
Rationale	In addition to having clear policy commitments and managemer practices, companies are expected to maintain strict measureme criteria for animals in their supply chain. This question is looking specifically at measures linked to the slaughter of animals (or the rendering of fish insensible) in their supply chains. It is essential to render an animal unconscious before it is slaughtered in order for to be insensible to pain, discomfort and stress, until death occurs.	ent
Scoring	No reporting on the proportion of animals subject to pre- slaughter stunning.	0
	The company reports on the proportion of animals subject to pre-slaughter stunning, but this reporting is limited to certain geographies, species or own-brand products.	3
	The company reports fully on the proportion of animals subject to pre-slaughter stunning, covering all relevant geographies, species and own-brand products.	5
	(Max Score 5)	0



Question 22.	Does the company report on the average, typical or maximum permitted live transport times for the animals in its supply chain?	
Rationale	In addition to having clear policy commitments and management practices, companies are expected to maintain strict measurement criteria for animals in their supply chain. This question is looking specifically at measures linked to the live transportation of animals in their supply chains. 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 terrestrial animals should be minimised wherever possible and journeys should be kept as short as possible. Specifically, any transport of a live terrestrial animal that exceeds 8 hours, from loading to unloading, has been shown to decrease welfare significantly. In the case of farmed fish, handling practices and water quality conditions (particularly oxygenation) can have a significant impact on welfare. Conditions for transportation of fish must therefore be suitable and a maximum time limit may be required as determined from species-specific welfare risk assessments.	
Scoring	No reporting on live transport times.	0
	The company partially reports on the live transport times for animals, but reporting is limited to certain geographies, species or products.	3
	The company reports fully on the live transport times for animals, covering all relevant species and geographies.	5

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	(Max Score 5) 0
Explanatory Notes	<ul> <li>This question is looking specifically for explicit reporting on the live transport times. Companies that reported using proxy measures (e.g. the proportion of animals managed according to particular farm animal welfare standards) were not awarded points unless they explicitly stated what the implications were for live animal transport times.</li> <li>Points were only awarded if the company was explicit about the proportion of animals affected. Companies that reported on the total number of animals affected but did not put this number into context of the total number of animals used or processed were not awarded points.</li> <li>Companies that made general statements about "Our animals" or "All animals" were transported within maximum journey times were not awarded points unless there was clear evidence that key performance indicators (ideally by relevant species) were in place to monitor performance against policies and/or related targets or objectives.</li> </ul>

Question 23.	Does the company report on welfare outcome measures (i.e. measures linked to the physical, emotional and/or behavioural wellbeing of animals)?	
Rationale	In addition to having clear policy commitments and management practices, companies are expected to maintain strict measurement criteria for animals in their supply chain. This question is looking specifically at welfare outcome measures (WOMs) relating to the physical, emotional and/or behavioural wellbeing of animals. WOMs may be quantitative, or qualitative. They should focus on the most important species-specific measures (e.g. lameness and mastitis in dairy cows, gait score and footpad dermatitis in broilers, tail-biting and lameness in pigs, bone breakage and feather coverage in laying hens), and include aspects of mental wellbeing (e.g. reaction to humans or novelty, fear, comfort); and behaviour (e.g. time spent lying – resting, ruminating; or being active – foraging, perching, dustbathing, socialising).	
Scoring	No reporting on welfare outcome measures.	0
	Partial reporting on welfare outcome measure but reporting is limited to certain species or geographies.	3
	Company fully reports on at least one welfare outcome measure per relevant species and/or per relevant geography.	5
	(Max Score 5)	0
Explanatory Notes	<ul> <li>This question was looking specifically for explicit reporting on welfare outcome measures such as:         <ul> <li>Mortality rates (as an indicator of potential pain,</li> </ul> </li> </ul>	





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 <u>www.bbfaw.com</u> or contact the Programme Director, Nicky Amos: <u>nicky@nicky-amos.co.uk</u>.



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