

MEDIA RELEASE

Embargoed until 0800 BST, April 2, 2020.

FARM ANIMAL WELFARE BENCHMARK HIGHLIGHTS US\$3 TRILLION ISSUE OF WELFARE DISCLOSURE

London, 2 April 2020: Farm animal welfare is a material investment risk and key consideration in ESG investing according to Chronos Sustainability, the secretariat to the Business Benchmark on Farm Animal Welfare (BBFAW).

BBFAW, the leading global measure of policy commitment, performance and disclosure on animal welfare in food companies, launched its eighth annual benchmark report today. The Benchmark, which is supported by Compassion in World Farming and World Animal Protection, analysed 150 global food companies accounting for combined revenues of more than US\$3 trillion¹. This year's analysis sees Co-op Group (Switzerland), Cranswick, Marks & Spencer, Migros, Noble Foods and Waitrose recognised as global leaders on farm animal welfare.

Beyond the individual company rankings, BBFAW reports that 60 per cent of the world's leading food companies now have formal farm animal welfare policies and appropriate management processes for ensuring they are effectively deployed internally and through supply chains. However, it warns that progress is still too slow with 40 per cent of the 150 companies still appearing in the bottom tiers, providing little or no information about how they are managing the risks and opportunities associated with farm animal welfare.

Dr Rory Sullivan, co-author of the Business Benchmark on Farm Animal Welfare 2019 Report, and CEO of Chronos Sustainability, said: "In the period when this analysis was conducted, the rise in consumer and investor interest, coupled with increasing pressure on suppliers from food companies signalled a "perfect storm" for moving the dial on farm animal welfare.

Right now, the Covid-19 pandemic is shining a light on the fragility of global food supply chains for consumers and investors alike. In a world where farm animal welfare is an increasingly important driver of both business value, and investment risk, maintaining and improving animal welfare standards must remain a focus."

¹ US\$2.5 trillion combined retail revenue of BBFAW retailers and wholesalers; US\$500 billion combined revenue of BBFAW producers and processors; US\$220 billion combined revenues of BBFAW restaurants and bars.

He continued: “The fact that so many companies perform so poorly suggests that investors need to be even more active in ensuring that companies have robust management systems and processes for managing farm animal welfare and related issues such as supply chain resilience, product quality, and the over-use and misuse of antibiotics. A failure to do so presents grave risks to the food industry and to wider society.”

Abigail Herron, Global Head of Responsible Investment, Aviva Investors and author of the foreword to the BBFAW 2019 report said: “BBFAW has changed the conversation between investors and companies. Since its inception, BBFAW has presented investors with farm animal welfare related ESG information in terms that are relevant and aligned to investors’ interests. Building on a clear, publicly available methodology, BBFAW enables us to analyse management quality in a systematic and consistent manner. The annual reporting cycle of the Benchmark helps us understand important themes and assess whether companies are improving, stagnating or getting worse. It also helps us gauge whether companies are responding to engagement with their investors and has succeeded in adding farm animal welfare to the spectrum of ESG issues that are considered critical when analysing investment risk.”

ENDS

For further information please contact:

Amanda Williams
Director of Communications
Chronos Sustainability (BBFAW Secretariat)
T: 020 8050 5103
amanda@chronossustainability.com

Notes to Editors

1. The Business Benchmark on Farm Animal Welfare (BBFAW) is the globally recognised investor framework for assessing the quality of companies’ practices, processes and performance on farm animal welfare. In addition to its annual Benchmark, BBFAW maintains the Global Investor Statement on Farm Animal Welfare and convenes the Global Investor Collaboration on Farm Animal Welfare, a collaborative engagement between major institutional investors and food companies on the issue of farm animal welfare.
2. The Business Benchmark on Farm Animal Welfare, founded in 2012, is supported by its founding partners the leading animal welfare organisations, Compassion in World Farming and World Animal Protection.
3. BBFAW provides an annual, independent assessment of farm animal welfare management and performance in global food companies. It enables investors, companies, NGOs and other stakeholders to understand corporate practice and performance on farm animal welfare. More information on the programme can be found at www.bbfa.com

4. Through the annual benchmark, extensive engagement programmes with investors and with companies, and the production of guidance and other materials for companies and investors, BBFAW has driven higher farm animal welfare standards across the world's leading food businesses.
5. BBFAW 2019 is the eighth annual report from the Business Benchmark on Farm Animal Welfare. It analyses the farm animal welfare management and performance of 150 of the world's largest food companies, across 37 distinct, objective criteria. As such, it is the most authoritative and comprehensive global account of corporate practice on farm animal welfare.
6. The 2019 Benchmark covers 150 global food companies across 23 countries: 52 Retailers and Wholesalers, 63 Producers and Manufacturers, and 35 Restaurants and Bars. The list includes listed and non-listed companies.
7. Companies were measured on their approach to managing farm animal welfare in four areas: (1) Management Commitment and Policy, (2) Governance and Policy Implementation, (3) Leadership and Innovation, and (4) Performance Reporting and Impact.
8. In line with the BBFAW's objective to drive improvements in the welfare of animals farmed for food, the weighting of the performance and impact questions (which make up 35% of total score) was adjusted in 2019 to emphasise welfare impact over performance disclosure, with the aim of encouraging companies to focus on welfare outcome-based measures. This weighting adjustment resulted in a 1% reduction in average overall scores. It also resulted in 5 companies being ranked one Tier lower than they would have ranked without the scoring adjustment and one company being ranked one Tier higher.
9. Company assessments were based on information published by companies on the date of their assessments. All companies were assessed during the period from 1st August to 30 September 2019.
10. The number of companies that are considered to have farm animal welfare as an integral part of their business strategy has grown significantly over the eight Benchmark cycles, from 3 (out of 68) in 2012 to 22 (out of 150) in 2019.
11. The company-by-company results are presented in Attachment 1 to this media release.
12. Cranswick, Coop Group (Switzerland), Marks & Spencer and Waitrose and Noble Foods retain their Tier 1 position. Migros also occupies Tier 1 in 2019.
13. Thirty of the 150 companies assessed in 2019 improved by at least one Tier in the 2019 Benchmark. This is the largest year-on-year increase we have seen since the Benchmark was established in 2012. These companies are:

Aldi Süd
Auchan
Colruyt
Coopérative U Enseigne (formerly Systeme U)
E Leclerc
Edeka Group
Jeronimo Martins
Les Mousquetaires
Migros
Sysco Corp
Agro Super
Associated British Foods
Campbell Soup Company
Cooperl Arc
Danish Crown
Fonterra
General Mills

Hilton Food Group
LDC
Maple Leaf Foods
Minerva Foods
Mowi (formerly Marine Harvest)
Nestlé
Premier Foods
Terrena Group
Chipotle Mexican Grill
Darden Restaurants PLC
Mitchells & Butlers PLC
SSP Group
Subway/Doctor's Associates Inc

14. In the 2019 Benchmark, eight companies fell by one Tier, a figure that is broadly in line with previous years. These are: Lidl, Loblaw, KraftHeinz, Marfrig Alimentos SA, Mondelez International, Unilever NV, Vion Food Group, Dunkin' Brands. Of these, five were directly impacted by the changes in weighting made in the 2019 Benchmark.

More information on the Business Benchmark on Farm Animal Welfare programme can be found at www.bbfaw.com

ENDS ALL