



The Business Benchmark on Farm Animal Welfare

Launch of 2020 Benchmark,
30 March 2021

Dr Rory Sullivan, Nicky Amos and Dr Nathan Williams



Opening remarks



01. Welcome and Introductions

02. Programme Overview: Nicky Amos

03. 2020 Key Findings: Nicky Amos

04. Q&A

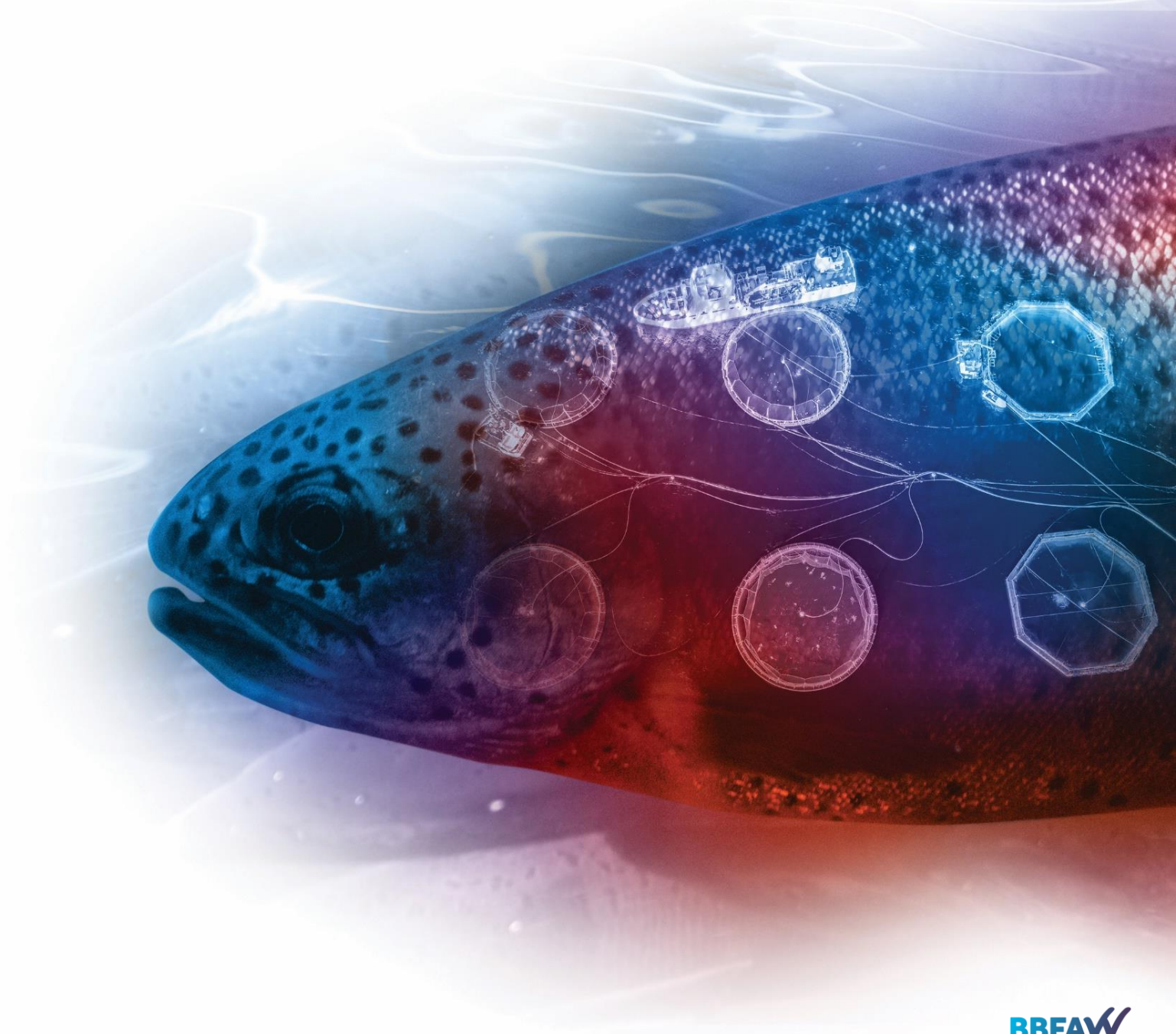
05. 2021 Forward Look: Dr Nathan Williams

06. Closing Remarks: Steve McIvor

07. Closing remarks: Philip Lymbery

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BBFAW Programme Overview



About the BBFAW

BBFAW is recognised by investors and companies as the **definitive global benchmark** on farm animal welfare management, performance and disclosure



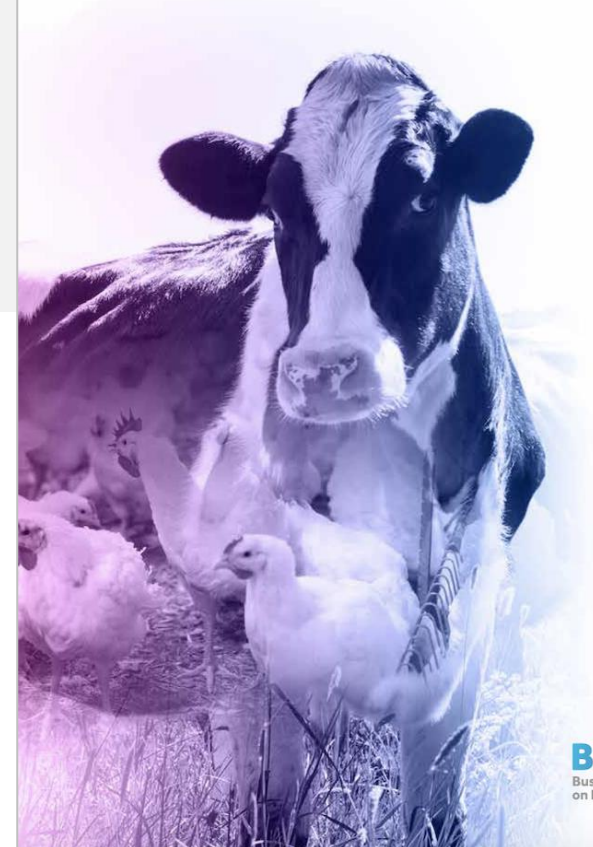
It enables stakeholders to understand corporate practice and **drive improvements** in the welfare of animals reared for food



Supported by **Compassion in World Farming** and **World Animal Protection**

The Business Benchmark on
Farm Animal Welfare Report
2020

Nicky Amos, Dr Rory Sullivan & Dr Nathan Rhys Williams MRCVS



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The Programme

Annual Benchmark



150
Companies

Global Investor Statement



33
Investor
signatories
(£2.1 trn in AUM)

Global Investor Collaboration



30
Investors
(£1.9 trn in AUM)

Investor and Company Engagement



Annual
surveys



One-on-one
engagements



Technical
briefings

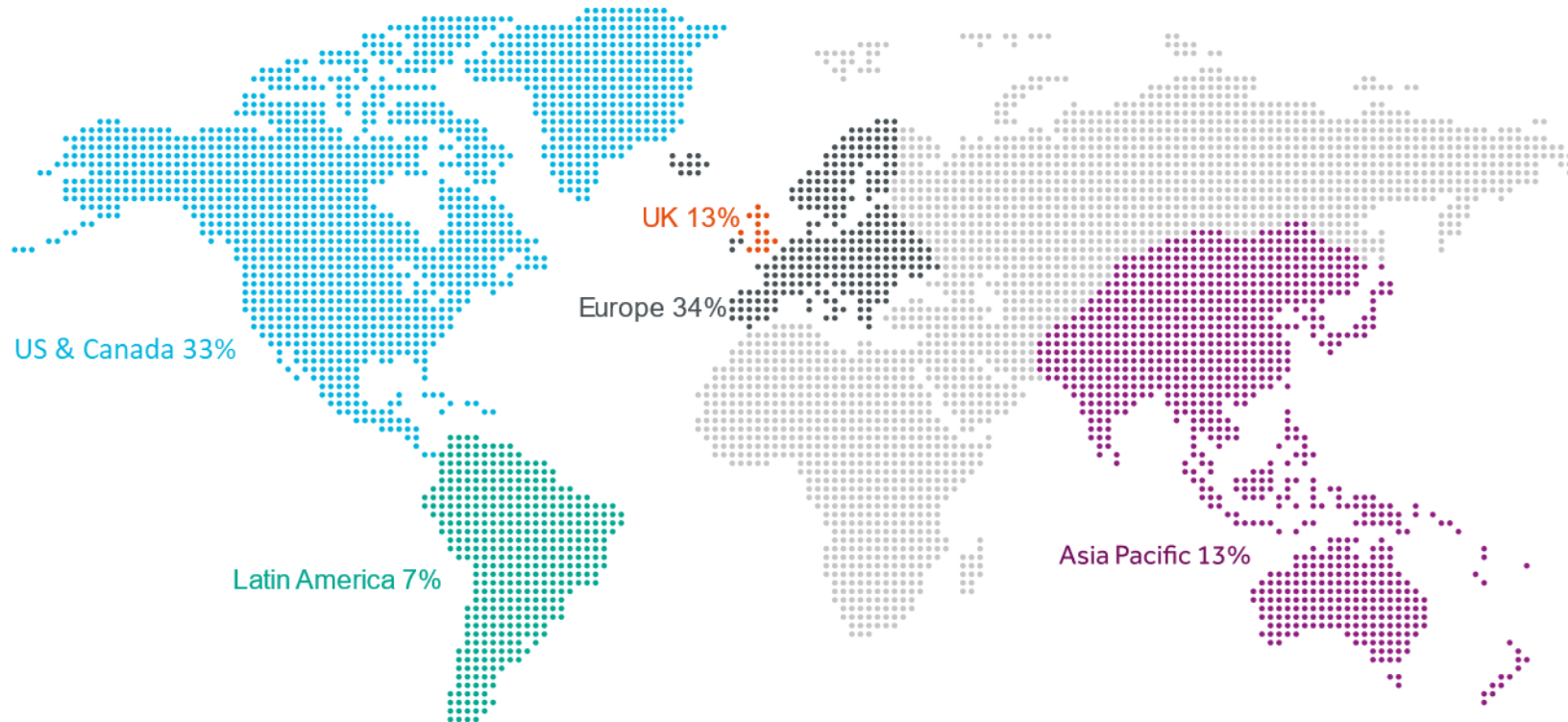


02

2020 Benchmark




2020 Coverage



 **150**
Companies

 **24**
Countries

 **52**
Food retailers and wholesalers

 **63**
Food producers

 **35**
Restaurants and bars

Methodology

Annual assessment based on published information

35%

Performance Reporting and Impact

11%

Innovation and Leadership



Management Commitment

26%

Governance and Management

28%

| Management Commitment and Policy | |
|---|----|
| Question 1. Does the company acknowledge farm animal welfare as a business issue? | |
| Acknowledging farm animal welfare as a business issue is an important first step towards implementing a comprehensive approach to farm animal welfare management. It is good practice for food companies to identify whether and why farm animal welfare is a relevant issue for the business. | |
| No evidence that farm animal welfare is regarded as a relevant business issue. | 0 |
| The company identifies farm animal welfare as a relevant business issue. | 10 |
| (Max Score 10) | |
| Question 2. Does the company publish an overarching corporate farm animal welfare policy (or equivalent)? | |
| 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 firmly on the business agenda. | |
| No evidence of a formal policy statement (or equivalent) on farm animal welfare. | 0 |
| The company has a broad commitment to farm animal welfare in a policy statement (or equivalent) but no description of how the policy is to be implemented. | 5 |
| The company has a broad commitment to farm animal welfare within a policy statement (or equivalent) and a description of the processes in place to ensure that the policy is effectively implemented. | 10 |
| (Max Score 10) | |
| Question 3. Does the policy statement provide a clear explanation of scope? | |
| Understanding the scope of a policy is important to understand the breadth of a company's commitment to action on farm animal welfare. | |
| 3a. Geographic scope | |
| Geographic scope is not specified. | 0 |
| Scope is limited to certain specified geographies. | 2 |
| Scope is universal across all geographies. | 5 |
| 3b. Species scope | |
| Species scope is not specified. | 0 |
| Scope is limited to certain specified species. | 2 |
| Scope is universal across all relevant species. | 5 |
| 3c. Product scope | |
| Product scope is not specified. | 0 |
| Scope is limited to own-brand products or ingredients (i.e. the policy does not apply to imported or other brand products). | 2 |
| Scope is universal across own brand, imported and other brand products. | 5 |
| (Max Score 15) | |

Changes to 2020 Methodology

Introduced scoring for 4 questions (introduced in 2019)



Policy & Management Section and Performance Reporting & Impact Section

- ✓ Species-specific environmental enrichment
- ✓ % animals with species-specific enrichment
- ✓ % broiler chickens from slower growing breeds
- ✓ % animals subjected to repeat stunning

Adjusted Weighting



Performance Reporting & Impact Section

- ✓ Overall weighting unchanged
- ✓ Weighting of performance impact questions now account for 60% of overall scores in this section

Introduction of Impact Rating



Performance Reporting & Impact Section

- ✓ Confidential Company scores
- ✓ Amalgamated scores in BBFAW report



03

2020

Key Findings



Overall Average Scores by Year (%)



Trend
companies



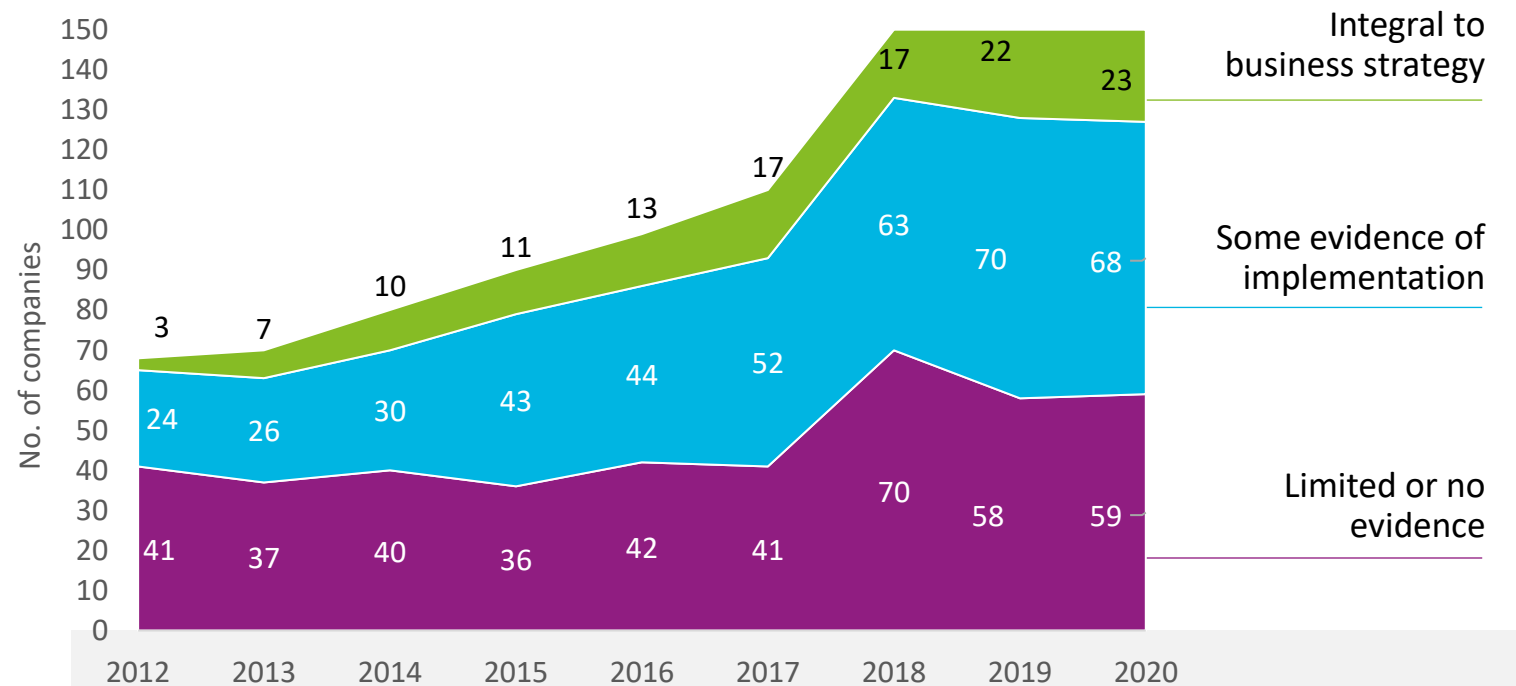
All companies



The average effect of changes in methodology on overall average score was -1.2%

Headline Finding 1

Companies continue to make progress in the Benchmark, showing farm animal welfare remains a business priority.



Companies improving by at least 1 Tier (2019-2020)

Retailers and wholesalers

- Ahold Delhaize
- Auchan Holding
- BJ's Wholesale
- Carrefour SA
- IKEA (Inter IKEA Group)
- Jeronimo Martins
- Lidl Stiftung & Co KG
- Schwarz Unternehmans Treuhand KG/Kaufland
- Woolworths Group

Producers and Manufacturers

- Barilla
- Bimbo
- Charoen Pokphand Foods
- Cooke Seafood Limited
- Cooperativa Centrale Aurora Alimentos
- Fonterra
- KraftHeinz
- Marfrig Global (2-tier rise)
- Mars Inc
- Meiji Holdings
- Minerva Foods (2-tier rise)
- Unilever NV
- US Foods

Restaurants and Bars

- Papa John's Pizza



Companies falling by 1 Tier (2019-2020)

Retailers and wholesalers

- Aldi Süd
- Coop Group Switzerland
- ICA Gruppen AB
- Metro AG
- Migros (2-tier fall)
- Publix Super Markets Inc
- UNFI

Producers and Manufacturers

- General Mills Inc
- Perdue Farms
- Terrena Group

Restaurants and Bars

- Aramark Corporation
- Chipotle Mexican Grill
- CKE Restaurants
- SSP Group
- Subway/Doctor's Associates Inc



Headline Finding 2

Progress continues but welfare “impact” remains under-reported



91 companies

Nearly two-thirds of companies globally are actively managing the business risks associated with farm animal welfare (=T1-4)



118 companies

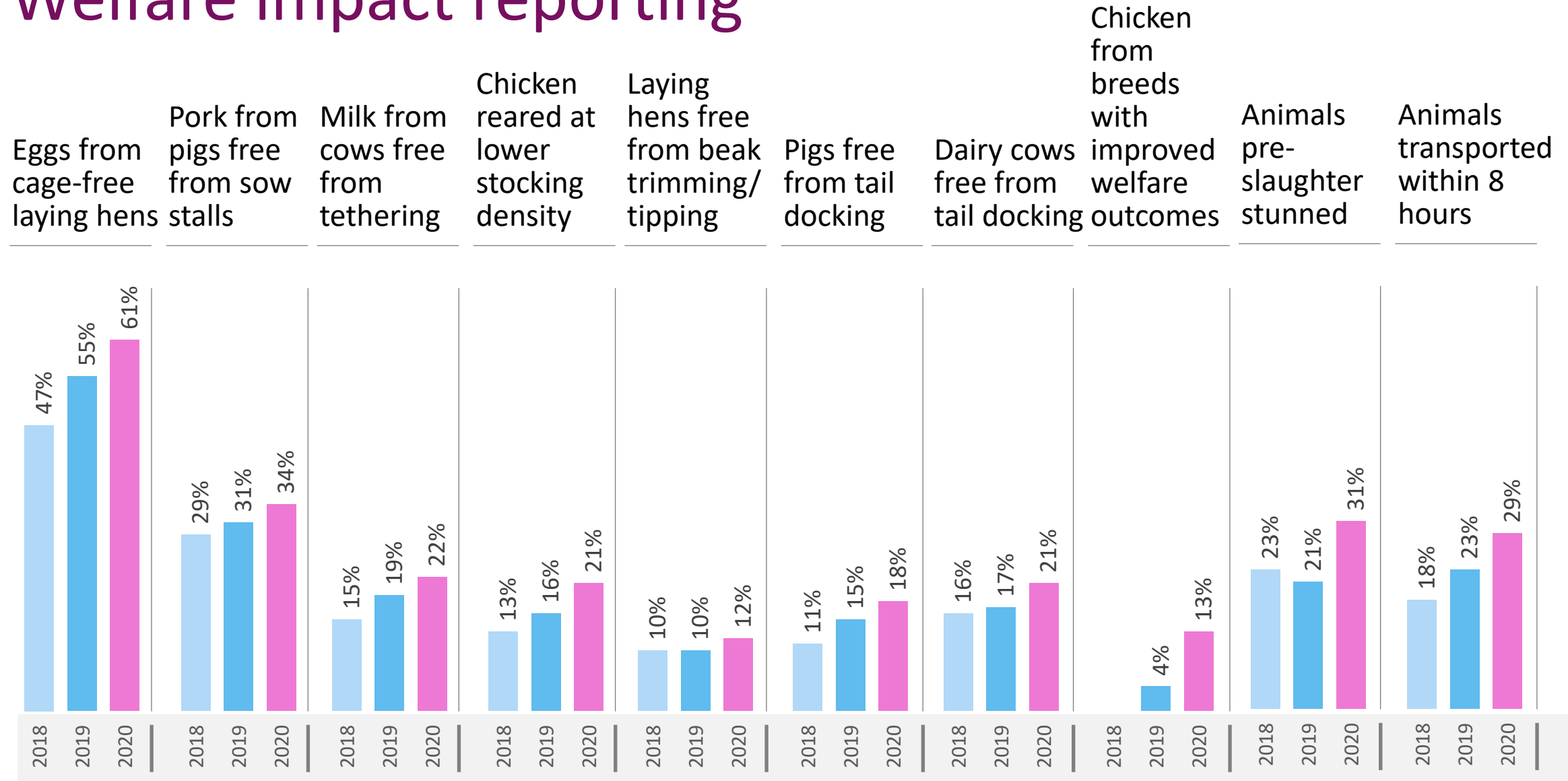
79% have now set farm animal welfare-related objectives and targets (vs 75% in 2019)



83 companies

61% of companies for which laying hens are a relevant species report on the proportion of hens free from cages.

Welfare impact reporting



Note: The question on broiler chickens from strains of birds with improved welfare outcomes and slower growth potential was introduced in 2019. The graph shows the proportion of companies scoring points on questions 28-37.

Impact Reporting (2020 baseline findings)

Table 1.5 2020 Impact Ratings*

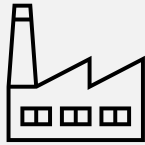
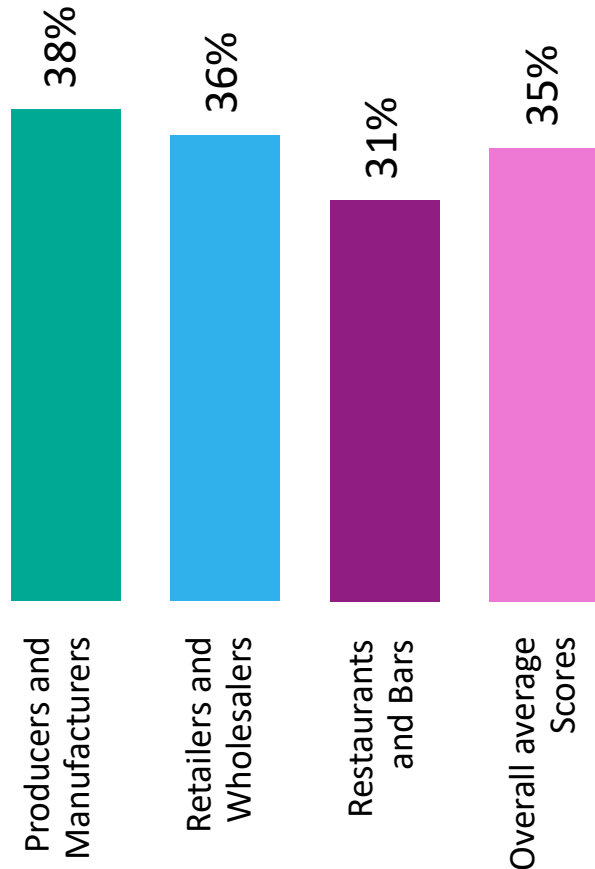
| Impact Rating | | Number of companies |
|------------------|--|---------------------|
| A >80% | These companies are declaring improved welfare impacts for a reasonable proportion of farm animals in their operations and/or supply chains. | 0 |
| B 62-80% | | 4 |
| C 44-61% | These companies are declaring improved welfare impacts for at least some farm animals in their operations and/or supply chains. | 3 |
| D 27-43% | | 10 |
| E 11-26% | These companies have yet to demonstrate that they are delivering improved welfare impacts for farm animals in their operations and/or supply chains. | 12 |
| F <11% | | 121 |

*Impact ratings are based on companies' scores for the 10 performance impact questions, namely Q28 to Q37.

Headline Finding 4

Producers and manufacturers are outpacing retailers and restaurants and bars on farm animal welfare management and reporting

Sub-sector average scores

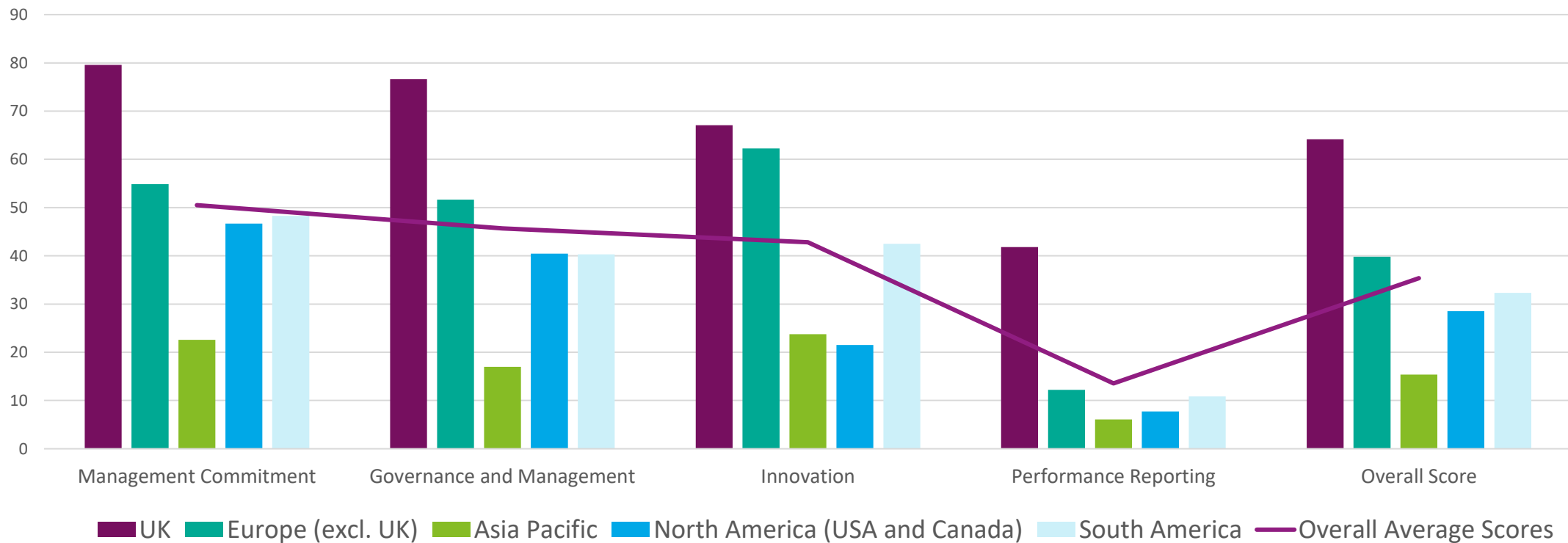


In 2020, food producers and manufacturers increased their overall average score to 38% (from 35% in 2019). This compares to retailers and wholesalers at 36% and restaurants and bars at 31%.

Geographic focus

Momentum is building for food producers in Latin America and Asia Pacific: regions that include some of the biggest names in global meat production

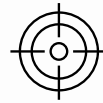
Geographic Comparison (overall scores)



Key conclusions



Despite significant disruptions caused by COVID-19 across the food sector, **companies have sustained their focus on farm animal welfare.**



Companies need to show they are delivering positive welfare impacts for animals. 79% of companies have published animal welfare-related objectives and targets, but these commitments need to start delivering welfare impacts.



There is still more work to be done for animal welfare to become institutionalised: 31 global food companies have yet to publish a farm animal welfare policy; companies continue to overlook farmed finfish in their welfare commitments; and 10 companies continuously assessed since 2012 remain in Tiers 5 & 6.



Farm animal welfare remains a central business issue for companies and for their investors. Investors continue to play an important role in driving standards and, increasingly, performance in food companies.

04

Q&A



05

Looking Forward: 2021 BBFAW cycle



Proposed changes to 2021 Benchmark

Subject to feedback on public consultation



Increase weighting of
Performance Reporting and
Impact section to 45%
(from 35%)



45%

Performance
Reporting
and Impact

22%

Management
Commitment

37
Criteria
covering:

9%

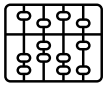
Innovation and
Leadership

24%

Governance and
Management

Proposed changes to 2021 Benchmark

Subject to feedback on public consultation



Publish individual company
Impact Rating scores in the 2021
report (published Mar 2022)



Table 1.5 2020 Impact Ratings*

| Impact Rating | Number of companies |
|---------------|---------------------|
| A >80% | 0 |
| B 62-80% | 4 |
| C 44-61% | 3 |
| D 27-43% | 10 |
| E 11-26% | 12 |
| F <11% | 121 |

*Impact ratings are based on companies' scores for the 10 performance impact questions, namely Q28 to Q37.

Proposed changes to 2021 Benchmark

Subject to feedback on public consultation



Modify criteria for Questions 14 and 27 to focus on explanations of progress against targets



Governance and Management

Question 14. Does the company report on its performance against its animal welfare objectives and targets?

Objectives and targets are the point where policy commitments are translated into substantive action, and where resources and responsibilities are allocated for the delivery of these objectives and targets.

| | |
|---|---|
| Companies should explain how they have performed against their objectives and targets. | 0 |
| The company has published objectives and targets but with no information on how these are to be achieved. | 5 |

(Max Score 5)

Explanatory Notes:

- This question was only assessed if the company had been awarded 5 or 10 points for Question 13, i.e. the company had published objectives and targets. Otherwise, a score of zero was awarded.
- Companies were awarded points if they provided evidence of having effective systems in place for monitoring of performance against the objectives and targets.

Performance Reporting and Impact

Question 27. Does the company provide an explanation of progress and trends in performance (either in terms of input measures or welfare outcome measures)?

Companies should provide an explanation of progress and trends in performance and clearly define the scope of reporting (i.e. by geography, by species, by production system, by welfare outcome). For retailers and wholesalers, this question applies to all own-brand products.

| | |
|---|----|
| The company does not report on progress on animal welfare performance (either in terms of input measures or welfare outcome measures). | 0 |
| The company reports on progress on at least one animal welfare performance measure (either an input measure or a welfare outcome measure), but this is limited to certain geographies, species, or products, and there is no explanation of trends in performance. | 4 |
| The company reports on progress on at least one animal welfare performance measure (either an input measure or a welfare outcome measure), but this is limited to certain geographies, species, or products, although it does provide an explanation of progress and trends in performance. | 6 |
| The company reports on at least one performance measure (either an input measure or a welfare outcome measure) for each relevant species across all geographies and products, but there is no explanation of progress or trend in performance. | 8 |
| The company reports on at least one performance measure (either an input measure or a welfare outcome measure) for each relevant species across all geographies and products, and it provides an explanation of progress or trend in performance. | 10 |

(Max Score 10)

BBFAW 2021 Timeline





COMPASSION
in world farming 
ciwf.org

Closing speech

Steve McIvor,
CEO, World Animal Protection



Closing remarks

Philip Lymbery

Global CEO

Compassion in World Farming



A composite image featuring a Highland cow with long, shaggy brown fur and large, curved horns on the left. To its right, four white sheep with thick wool are standing in a row, looking towards the camera. The background is a soft, out-of-focus landscape with green grass and distant hills under a pale sky.

Thank you for
participating!

For more information visit
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Or email
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