

## Financial institutions' and reporting standards' animal welfare policy examples

Below are examples of financial institutions' and reporting standards' policies that include animal welfare.

The wording varies from institution to institution, and we aren't necessarily recommending the wording used within these examples because the inclusion of animal welfare within policies should go beyond a brief mention.

The photos you see below do not show the policies' wording in their entirety, but illustrate some of the wording used.

## FINANCIAL INSTITUTION ANIMAL WELFARE POLICY EXAMPLES

## **ABN Amro**

**Animal Welfare Statement** 

**Policy link** 

			Primary producer/breeder/ fattener		Processor/ slaughterhouse	
1.	Compliance	Minimum	Bench- mark	Minimum	Bench- mark	
9.	Animal Welfare					
	<ul> <li>Clients have an animal welfare policy<sup>15</sup> in place that addresses the protection of the Five Animal Freedoms<sup>16</sup> and describes the management of key risks to infringement of these freedoms during breeding, fattening, slaughtering and/or transportation.</li> </ul>	x		x		
	<ul> <li>Clients have cage-free and crate-free production systems and apply best practices in terms of living space for animals as defined by FARMS Initiative or other initiatives.<sup>17</sup></li> </ul>		x	N/A		
	c) Clients have an animal welfare monitoring system in place.	X		X		
10.	. Supply chain management					
	<ul> <li>Clients apply environmental, social and animal welfare criteria to the selection of suppliers, service providers, contractors and other business partners, and monitor their suppliers' performance on these topics.</li> </ul>	x		x		
	<ul> <li>Clients are committed to working towards a deforestation free soy supply in time (e.g. certified RTRS or equivalent) in their feed sourcing.</li> </ul>	X		N/A		
11.	. Implementation					
	<ul> <li>Employees are regularly trained on relevant environmental social, animal welfare and anti-corruption commitments of the company.<sup>18</sup></li> </ul>	x		х		
	b) Clients have Environmental and Social Management Systems (ESMS) in place. The ESMS is expected to be in line with international standards such as ISO:14001 or OHSAS:18001. <sup>19</sup>	x		x		
	<ul> <li>Clients take preventive measure and respond adequately to accidents and incidents such as: animal diseases, barn fires, employee health &amp; safety, food safety.</li> </ul>	x		x		
	<ul> <li>Clients work on innovation to reduce their environmental and climate impacts (e.g. insect based feed, plant-based products).</li> </ul>		X		x	
12.	. Track record					
	a) Clients have a good track record:     incident rates are low and show consistent decline over time,     inspection authorities have not reported structural shortcomings in the company's management of anima welfare, environmental impact, human rights and health & safety risks <sup>20</sup> ,     no evidence of structural poor sustainability practices or of poor management of sustainability related incidents.	x		x		



#### **Cardano**

## Policy link (Sustainable Investment Framework)

Entities active in the animal husbandry sector and in particular factory farming should respect animals. Factory farming is defined as a system of rearing livestock using highly intensive methods, by which poultry, pigs, or cattle are confined indoors under strictly controlled conditions. Cardano also includes cage and crate confinement-based systems in this definition. Respecting animals means that an entity which does not have an animal welfare policy or is not transparent about the way animals are treated, is not acting in line with expected adaptivity. One way to adhere to this, is to implement the Responsible Minimum Standards (RMS) of the FARMS Initiative.43 This initiative provides guidance on how farmers should raise, transport and slaughter several farm animals. Also, in order to encourage livestock farms and fisheries to gradually switch to more humane practices and production, it is expected that relevant organisations act in accordance with the following guidelines;

#### **Allianz**

#### **Policy link**

#### 03.4.2 Allianz ESG Guideline on Animal Welfare

Allianz supports clients in many areas of the agriculture sector including animal husbandry. The industry performs an essential role for society which insurance/investment supports.

There are a wide range of opportunities for operating in a more environmentally or socially responsible manner. All business activities should seek to incorporate methods or forms of sustainable practices in operations where feasible. This should not contravene cultural or religious requirements for the production of animal-related foodstuffs.

External Standards and Sources

The Allianz screening approach criteria are informed by

- various national, EU and international regulations,
- standards and best practice guidance on humane treatment of animals and
- Royal Society for the Prevention of Cruelty to Animals (UK)

Screening and assessment criteria

Following an assessment of company, sector and country-specific ESG risk databases, animal welfare-related transactions are screened on the following criteria:

Risks related to agricultural practices

- Absence of assurance or certification of farm's management of animal welfare
- · Absence of mitigation of negative impacts on animal wellbeing
- Animal living conditions below sector average
- Animal transport (incl. loading and unloading) exceeding 8 hours
- Inappropriate use of antibiotics, hormones or other growth promoting substances
- Non-adherence to regulatory requirements on GMO labeling
- Occurrence of routine mutilation (e.g. teeth clipping, tail docking, dehorning, de-budding/de-horning, mulesing or beak trimming) without anesthetic or other distress reducing measures
- Slaughter practices without pre-slaughter stunning

Reputational risks

 Negative reputational impacts on Allianz stakeholders (investors, customers, business partners, regulators, staff, ...)



#### **ASN Bank**

#### Policy link

Pages: 6 - 8, 24, 33, 34, 37, 41, 45 - 47, 68 - 70, 73, 85

We avoid investments in livestock farming because it currently involves problems in the areas of food security, climate, biodiversity, health and human rights. We also avoid customers of livestock farms, such as abattoirs and transport companies.

Where do we draw the line?

Do: We can invest in customers of livestock farms such as supermarkets, provided that they take sufficient account of animal welfare in their procurement policies (see the conditions under 'Animal welfare policy').

*Don't*: We avoid investments in livestock farms and their direct customers, such as abattoirs and livestock transporters, because they often cannot guarantee animal welfare.

## **Bank Australia**

## Animal welfare landing page

We don't lend to organisations that use intensive animal farming systems like battery caged hens and sow stalls, or organisations that export live animals.

## The impact of live exports and intensive animal farming

Society's expectations about how animals are treated are changing. More people are concerned about the welfare of farmed animals and want to see them live healthy and comfortable lives free of pain and distress.

Intensive animal farming involves using industrial-scale methods to produce meat and other animal products. These methods usually restrict animals' freedoms; for example, battery cages for hens or sow stalls and farrowing crates for pigs prevent the animals from moving freely and being able to engage in natural behaviours. Intensive animal farming may also expose animals to harm through animal husbandry/management practices performed without appropriate pain relief, including dehorning, castration and mulesing.

*Live export* involves sending animals overseas, often exposing them to stress and cruel deaths during transportation from factors such as fatigue, heat stress, and overcrowding as well as unacceptable slaughter methods.



#### **BNP Paribas**

#### **Policy link**

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## Additional criteria for Projects related to livestock and poultry

In addition to the criteria applying to all agriculture projects, BNP Paribas will determine whether the livestock and poultry projects implement the "Business Benchmark on Farm Animal Welfare" recommended policies and management systems<sup>5</sup>.

It is also recognized that cage housing conditions is an important issue in terms of animal fair treatment, in particular in the chicken value chain, the most consumed meat globally. We also encourage our clients to:

- Consider projects including cage-free infrastructures for broilers and laying hens by 2025;
- Implement the Responsible Minimum Standards of the FARMS Initiative, in particular by encouraging that all farming projects related to chicken (broilers and laying hens) respect a maximum stocking density of 30 kg/m<sup>2</sup>.

#### **British International Investment (BII)**

Policy and ESG Toolkit

PDF of the Toolkit

#### 3. Why financial institutions and their clients should address this topic

#### Risks for the business

Companies and their investors/lenders need to ensure that they comply with local laws, regulations and standards in order to retain their license to operate and to avoid fines. Serious violations of these requirements and/or significant misalignment with international good practice can also lead to reputational damage and to the loss of customers, productivity and product quality.

For example, the OIE estimates that morbidity and mortality due to animal diseases causes at least 20 per cent of livestock production globally to be lost. Poor transportation can lead to lower product quality, as well as higher morbidity and mortality, due to physical and mental stress. The muscles of animals that experience stress prior to slaughter tend to have a higher pH value, which can also degrade the quality of meat.

Poor animal welfare standards can also affect companies' sales and reputation. For example, McDonalds China and Yum Brands (owner of KFC and Pizza Hut) saw declining sales following the 2014 China meat scandal driven by customer food safety concerns.



## **Climate Bond Initiative (CBI)**

## **Policy link**

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#### 3.11 Animal welfare requirements

Where agricultural production includes livestock in intensive production systems, standards for animal welfare must be certified to one of the following schemes:

- Humane Farm Animal Care Certified Humane <a href="https://certifiedhumane.org/">https://certifiedhumane.org/</a>
- RSPCA Assured <a href="https://www.rspcaassured.org.uk/farm-animal-welfare/rspca-welfare-standards/">https://www.rspcaassured.org.uk/farm-animal-welfare/rspca-welfare-standards/</a>
- Animal Welfare Approved by A Greener World <a href="https://agreenerworld.org/certifications/animal-welfare-approved/">https://agreenerworld.org/certifications/animal-welfare-approved/</a>
- Beter Leven levels 2&3 <a href="https://beterleven.dierenbescherming.nl/">https://beterleven.dierenbescherming.nl/</a>
- G.A.P levels 4&5 <a href="https://globalanimalpartnership.org/">https://globalanimalpartnership.org/</a>

If the issuer demonstrates that none of these schemes certify in the country where the operations are located, then assessment should be undertaken using the requirements (principles and the relevant species-specific mitigation criteria) detailed in the FARMS Initiative RMS (except those criteria relating to transportation and slaughter as these are out of the scope of the Agriculture criteria). These are available at <a href="https://farms-initiative.com">https://farms-initiative.com</a>.

There is no burden of proof required for extensive agricultural systems to demonstrate animal welfare standards.

#### **DBS Bank**

## **Policy link**

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We encourage our customers to install housing systems that take into account animal welfare needs, protect them from physical harm, minimise psychological stress, and allow them to exhibit a degree of natural behaviours and phasing out practices which violate the Five Freedoms<sup>6</sup> of cattle, poultry or pigs.



## **European Bank for Reconstruction and Development (EBRD)**

## **Policy link**



# Sub-sectoral Environmental and Social Guideline: Livestock Farming

#### Introduction

This guideline is designed to be used by EBRD Financial Intermediaries (FIs) to understand the nature of environmental and social (E&S) risks associated with existing operations in this sector and suggested actions for businesses to manage these E&S risks. It also provides guidance for FIs on potential due diligence questions to discuss with management to understand how their business is managing these E&S risks. This guideline focuses on material E&S risks; it is not an exhaustive list of E&S risks. In managing E&S risks, all businesses should be compliant with relevant E&S laws and regulations. Where applicable, this includes European Union legislation, which may also be taken as a benchmark for good practice.

This guideline covers Livestock farming operations which include agricultural facilities for the breeding of livestock, their managed weight gain prior to resale or slaughter and the production of byproducts from animals, such as milk.

#### Reference NACE codes:

- 1.4 Animal products
  - o 1.41 Raising of dairy cattle
  - 1.42 Raising of other cattle and buffaloes
  - o 1.43 Raising of horses and other equines
  - o 1.44 Raising of camels and camelids
  - o 1.45 Raising of sheep and goats
  - 1.47 Raising of swine/pigs



## **European Investment Bank**

## Climate roadmap

Pages: X, 19, 45, 92

- 35. Agriculture and forestry. The EIB Group will ensure that activities do not expand into areas of high carbon stocks or high biodiversity value. Moreover, given the importance of livestock as a source of emissions, the EIB Group will focus support on meat and dairy industries adopting sustainable animal rearing methods that contribute to improved greenhouse gas emissions efficiency. In addition, given the approach adopted towards the aviation sector, it is proposed to no longer support export-orientated agribusiness models that focus on long-distance air transport for commercialisation. This measure would exclude investments dependent on the international shipping of fresh, perishable agricultural goods through long-haul air cargo.
- 2.40 The food system within Europe is considered to be safe, plentiful and of high quality. It also needs to be sustainable. This is why the European Commission, as part of the European Green Deal, has recently presented a <u>Farm to Fork</u> strategy. It argues that there is an urgent need to reduce dependency on pesticides and antimicrobials, reduce excess fertilisation (especially nitrogen and phosphorous), increase organic farming, improve animal welfare and reverse biodiversity loss. The introduction and successful rollout of sustainable agriculture can help strengthen food security in developing countries, as well as strengthen soil and plant carbon sinks globally.

## **ING Group**

#### Policy link

Addressing these challenges effectively requires that environmental, social and ethical impacts be carefully considered. The development of animal farming activities can potentially create environmental and social risks to animal and human health. Potential risks in animal farming activities or aquaculture operations include:

- Animal distress: as a result of substandard living conditions, confinement, transport, health care or slaughtering practices;
- Human health and safety hazards: mismanagement of farming may incubate disease or transfer infectious agents to humans, antibiotic resistance (e.g. MRSA), foodborne illness; and adverse impacts of pandemic
- Environmental pollution and health impact: including air pollution, waste-water contamination (e.g. due to improper manure management) and water usage in water-scarce areas;
- Mistreatment: especially relating to animals kept in zoos or used in shows like circuses, rodeos, horse shows, dog shows, dolphinariums and aquatic parks, and animals used in medical or veterinary research.
  - d) Housing/husbandry/farming conditions: Housing systems must support animals' natural behaviour and needs with respect to movement, rest and social habits. The housing system must protect the animals from injury and distress. All housed animals must have access to sufficient feed, water, air and darkness/light. Temperature has to be controlled at all times;



## **International Finance Corporation (IFC)**

## **Policy link**

Pages 4, 8, 15 - 16

## **Animal Welfare**

#### **Excluded Activities Related to Principle 3**

In line with the management practices outlined in the IFC Good Practice Note: Improving Animal Welfare in Livestock Operations (2014) and British International Investment's Animal Welfare Toolkit (2021), IFC does not permit any of the following excluded practices for the projects in which it invests. In some specific cases investment can be considered only if there is a transition plan away from these practices related to the project funded within a reasonable timeframe.

- 1. Non-enriched battery cages for chickens
- 2. Individual sow stall housing 30 days after conception
- 3. Tethering of sows
- 4. Individual pen housing for calves beyond the age of 8 weeks
- 5. Force-feeding of geese or ducks
- 6. Keeping of animals exclusively for fur or leather production.

This applies for all forms of investment capital: debt, equity and working capital finance. In the case of debt, these excluded activities relate to the project being funded; with regards to equity, this exclusion list relates to new and upgraded production facilities during the course of the investment; for working capital finance, this can be ring-fenced to a specific investment project to ensure that the investment project complies with this exclusion list.

## **MeKong Capital**

#### **Policy link**

#### **Our E&S Mission**

To contribute to the sustainable development of companies that the Funds invest in by effectively managing E&S risks and impacts associated with the Funds' investments.

Key factors taken into consideration include:

#### Environmental factors:

- Climate change
- Pollution prevention & control
- Biodiversity
- Land acquisition Social factors
- Occupational health & safety
- Community health & safety

#### Social factors:

- Labor standards
- Working conditions
- Gender equality
- Human rights
- Indigenous people
- Culture heritage
- Animal welfare



## The Netherlands Development Finance Company (FMO)

Position statement on animal welfare

#### **Animal Welfare**

FMO considers animal welfare to be an important dimension of sustainable economic development, for several reasons. First, in line with the scientific thinking, FMO takes the view that animals are sentient beings that are capable of feeling pleasure and pain. Animal welfare is thus important from the animal's perspective. Second, animal welfare is linked with other sustainability issues such as food security, human health and environmental pressure on ecosystems. Third, there is often a business case for upholding animal welfare standards. Addressing animal welfare may, for example, increase productivity through reduced animal morbidity and mortality, or open up opportunities in markets where retailers and consumers are concerned with animal welfare.

Principles referred to as The Five Freedoms underpin much of the international dialogue on animal welfare. The Five Freedoms are referred to in many guidelines, recommendations and legislation, including the Terrestrial Animal Health Code of the World Organization for Animal Health (OIE) and the OECD-FAO Guidance for Responsible Agricultural Supply Chains<sup>1</sup>. According to the Five Freedoms, an animal should be free from hunger and thirst, free from discomfort, free from pain, injury, and disease, free to express normal behavior and free from fear and distress.

Whereas animal welfare used to be approached primarily from the animal's perspective (with the Five Freedoms as an important framework), it is now increasingly understood that cultural and ethical considerations are to be taken into account as well. An important concept in this respect is the intrinsic value of animals. This notion refers to the value an animal possesses in its own right, in addition to the value it represents to its owner (or humans in general).



#### **NatWest Group**

## **Policy link**

## **Prohibited**

- Evidence [3] of human rights violations [1] where the customer is unable to demonstrate that it has
  taken any action to cease, remediate, prevent and/or mitigate, as appropriate, the relevant
  violation.
- Testing on Great Apes (Chimpanzees, Bonobos, Gorillas and Orangutans).
- Testing on Critically Endangered, Endangered and Vulnerable Species (International Union for Conservation of Nature (IUCN) Red List of threatened species).
- Testing of cosmetic products on animals except where required by regulatory authorities for human safety purposes and the company can demonstrate it is actively supporting the use of alternatives to animal testina.
- · Testing tobacco products on animals except where required by regulatory authorities for human

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safety purposes and the company can demonstrate it is actively supporting the use of alternatives to animal testing.

- Use of unwanted pets or strays for animal research.
- Using animals for testing of products without a licence where a licence is required.
- No evidence that 3R Principles (Replacement, Reduction, Refinement) [4] are being applied within a company.
- Evidence of significant or repeat non-compliance of the 3Rs (see below).
- Animal testing contracting companies with gaps in the 3R requirements and /or material adverse press.
- Fur traders and fur retailers where it is their primary product line.
- · Direct involvement in fur farming (for example, foxes, seals, minks, cats and dogs).
- Direct involvement in Angora (wool and fur) production.
- · Illegal wildlife trade e.g. ivory and rhino horn.
- · Game reserves used for trophy killing.
- · Import of hunting for trophies to the UK.
- · Companies who cannot meet the standards set out by the Five Animal Freedoms.
- Companies or individuals who use animals for entertainment purposes which could cause suffering or death for the amusements and pleasure of onlookers. E.g. fighting (this excludes the use of animals in entertainment for educational or informative purposes, or where the appropriate licence has been obtained).



#### Rabobank

## **Policy link**

## **Farmed animals**

Regarding farmed animals (including transport and slaughter), we specifically collect supporting information that demonstrates:

 regarding proper housing systems - when housing systems are used, they must support the behavioral needs of the animals regarding movement, functional areas, environmental enrichment and resting. The housing system must protect the animals from damaging behavior, injury and distress;

## Societe Generale

## **Policy link**

The document available on the website is in French. One section of the "Sectoral policy Industrial agriculture and forestry" has been translated is below:

"Where applicable, check that a management plan relating to animal welfare is put in place specifically for the project, in line with the International Finance Corporation (IFC) Good Practice Note "Improve animal welfare on livestock farms", and FARMS requirements."



## **Standard Chartered**

## **Policy link**

Animal welfare: raising livestock at scale can cause considerable environmental impacts and implications to the health and wellbeing of the animals if high welfare standards are not adopted. Key avoidable welfare risks arise from confinement of livestock and poultry in cages, painful and mutilating interventions without anaesthesia, irresponsible breeding techniques, excessively long transportation in cramped conditions, slaughter using unnecessarily painful or ineffective techniques, and where training and infrastructure are not designed with animal behaviour or welfare in mind.

Animal Welfare Position Statement criteria								
We will <u>not</u> provide financial services directly towards:	<ul> <li>The production, manufacture or trade of fur, angora wool or exotic leather<sup>1</sup>.</li> <li>Production systems using layer cages for poultry or caged rearing systems for livestock, including gestation and farrowing crates for sows – applicable to producers.</li> </ul>							
We will <b>only</b> provide financial services to clients who:	<ul> <li>Follow the IFC Good Practice Note on Improving Animal Welfare in Livestock Operations, including the Five Freedoms of animal welfare – applicable to producers.</li> <li>Transport or slaughter livestock and poultry where the Welfare Risks Transport and Slaughter criteria of the FARMS Initiative Responsible Minimum Standards<sup>2</sup> are implemented – applicable to producers.</li> </ul>							
We <u>encourage</u> clients to:	<ul> <li>Implement the FARMS Initiative Responsible Minimum Standards.</li> <li>Refrain from prophylactic or routine use of antibiotics, unless no alternative is available.</li> </ul>							

## **The World Bank Group**

## Policy/principles link

#### POINTS OF CONSIDERATION

Good animal welfare practices have shown to significantly reduce stress (Grandin, 1987) and improve yield (Hemsworth et al., 2000) but the welfare and health of animals also reflects the wellbeing of humans. For example, the abuse of or violence against animals has been linked to family and social violence (Ascione and Shapiro, 2009). Multiple studies show that training in animal-friendly handling can support a decrease in violent and aggressive behavior towards the animals. It is likely that the abuse of vulnerable animals could be reduced and prevented by improving animal welfare among abusers (Pinillos et al., 2016).

Likewise, there is evidence that a farmer's intention to treat animals humanely is significantly positively correlated with psychological and social factors (FAWC, 2016). Signs of poor welfare could therefore be indicators for detecting poor farmer wellbeing and vice-versa (Pinillos et al., 2016).



#### **Triodos Bank**

## Policy link

#### **Animals**

Triodos Bank acknowledges the intrinsic value of animals and the responsibility of humans to protect animals. Triodos Bank is a committed advocate of animal welfare and acknowledges that animals contribute to a better quality of life in various ways. Animal-related considerations include animal testing, farm animal welfare (we oppose factory farming), fur and specialty leather.

## **United Overseas Bank (UOB)**

#### **Policy link**

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We also recommend that our customers:

- adopt relevant established industry standards in respect of environmental, health and safety (EHS) guidelines such as the International Finance Corporation (IFC) Performance Standards or the World Bank Group EHS Guidelines pertaining to Agribusiness/Food Production;
- improve traceability in their supply chains by purchasing certified sustainable products;
- adopt relevant established industry standards such as those set by the Global Good Agricultural Practices and the World Organisation for Animal Health;
- adapt to and manage climate-related risks which may include developing a strategy to
  assess the potential financial impact of climate-related risks through climate scenario
  analysis and adopting the recommendations of the Task Force on Climate-related Financial
  Disclosures (TCFD); and
- · adopt best agricultural practices, including setting targets, in relation to:
  - reducing greenhouse gas emissions;
  - proper waste management;
  - water management and stewardship; and
  - animal welfare.

In addition, for the animal protein sector, we recommend that our borrowers:

- put in place policies to safeguard the Five Freedoms of Animal Welfare<sup>1</sup>;
- commit to a responsible usage of hormones and antibiotics on animals and aquaculture, minimally complying with all applicable laws and regulations;
- seek internationally-recognised certifications with regards to quality production and responsible farming practices; and



## **REPORTING AND RATING AGENCIES**

## **Global Reporting Initiative (GRI)**

GRI 13: Agriculture, Aquaculture and Fishing Sectors 2022

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STANDARD	DISCLOSURE	SECTOR STANDARD REF#						
Management of the topic								
GRI 3: Material Topics 2021	Disclosure 3-3 Management of material topics  Additional sector recommendations     Describe policies regarding processing of animal products, animal transportation, handling, housing and confinement, and slaughter, by species.     Describe the approach to animal health planning and involvement of veterinarians, including the approach to using anesthetic, antibiotic, anti-inflammatory, hormone, and growth-promotion treatments, by species.     Describe commitments for responsible and prudent use of antibiotics <sup>23</sup> (e.g., avoiding prophylactic use) and describe how compliance with these commitments is evaluated.     Describe the results of assessments and audits of animal health and welfare, by species.	13.11.1						
Additional sector disclosures								
Report the percentage of production volume <sup>24</sup> from sites of the organization certified to third-party animal health and welfare standards, and list these standards.								
The following additional sector disclosure is for organizations in the aquaculture sector:  Report the survival percentage of farmed aquatic animals and the main causes of mortality.								

#### References and resources

The authoritative instruments and references used in developing this topic, as well as resources that may be helpful for reporting on animal health and welfare by the agriculture, aquaculture, and fishing sectors are listed in the Bibliography.



## **Sustainability Accounting Standards Board (SASB)**

Download page for Meat, Poultry and Dairy Sector Standard 2022

Page 28 – 30 (only a sub-set is shown below, it is a very detailed standard)

#### FB-MP-410a.1. Percentage of pork produced without the use of gestation crates

- 1 The entity shall disclose the percentage of pork produced without the use of gestation crates.
  - 1.1 A gestation crate is defined as an enclosure for housing an individual breeding sow, where the enclosure fulfills the animal's static space requirements but does not allow for dynamic movement such as turning around, and is typically non-bedded, with concrete floors and metal stalls.
  - 1.2 The percentage shall be calculated as the weight of pork produced without the use of gestation crates divided by the total weight of pork production.
    - 1.2.1 Weight of production shall be calculated using carcass weight or retail weight (where the entity has sourced pork or pork products that have already been processed).
- 2 The scope of disclosure includes pork or pork products that originated from facilities that the entity owns and operates and from facilities from which the entity contracts animal production (e.g., independent producers).
- 3 The entity may discuss, where relevant:
  - 3.1 How, if in any way, the use of gestation crates is addressed in contracts with producers and independent farmers
  - 3.2 Requirements of key customers related to the use of gestation crates and how the entity addresses them
  - 3.3 Any targets the entity has related to phasing out gestation crates and its progress toward those targets

#### FB-MP-410a.2. Percentage of cage-free shell egg sales

- 1 The entity shall disclose the percentage of shell eggs that originated from a cage-free environment.
  - 1.1 Eggs that originated from a cage-free environment are produced by hens housed in a building, room, or area that allows for unlimited access to food, water, and provides the freedom to roam within the area during the laying cycle.
    - 1.1.1 The scope also includes eggs that originated from a free-range environment.
  - 1.2 The percentage shall be calculated as the number of shell eggs produced that originated from a cage-free environment divided by the total number of shell eggs produced.
- 2 The scope of disclosure includes eggs from facilities that the entity owns and operates, facilities from which the entity contracts egg production (e.g., independent producers), and eggs that the entity purchases for resale.



- 2 The scope of disclosure includes all animal protein production that the entity brings to market, including animal protein from facilities that the entity owns and operates and animal protein from facilities from which the entity contracts animal production (e.g., independent producers).
- 3 The entity may disclose the animal welfare standards to which its production is certified.
- 4 The entity may discuss additional animal welfare standards that it implements in its operations and/or supply chain that are not third-party verified (i.e., those that are enforced by the entity, trade association, or customer).

#### Download page for Restaurants Sector Standard 2018 (SASB)

Page 29 – 31 (only a sub-set is shown below, it is a very detailed standard)

## FB-RN-430a.2. Percentage of (1) eggs that originated from a cage-free environment and (2) pork that was produced without the use of gestation crates

- 1 The entity shall disclose (1) the percentage of eggs purchased that originated from a cage-free environment.
  - 1.1 Eggs that originated from a cage-free environment are produced by hens housed in a building, room, or area that allows for unlimited access to food, water, and provides the freedom to roam within the area during the laying cycle.
    - 1.1.1 The scope also includes eggs that originated from a free-range environment.
  - 1.2 The percentage shall be calculated as the number of eggs purchased that originated from a cage-free environment divided by the total number of eggs purchased.
- 2 The entity shall disclose (2) the percentage of pork that was produced without the use of gestation crates.
- 2.1 A gestation crate is defined as an enclosure for housing an individual breeding sow, where the enclosure fulfills the animal's static space requirements but does not allow for dynamic movement, such as turning around, and is typically non-bedded, with concrete floors and metal stalls.
- 2.2 The percentage shall be calculated as the weight of pork purchased that was produced without the use of gestation crates divided by the total weight of pork purchased.
  - 2.2.1 Weight of production shall be calculated using carcass weight or retail weight (where the entity has sourced pork or pork products that have already been processed).
- 3 The scope of disclosure shall include eggs and pork purchased for company-owned and franchise locations.



## OECD Guidelines for Multinational Enterprises on Responsible Business Conduct

#### Guidelines link

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85. Enterprises should respect animal welfare standards that are aligned with the World Organisation for Animal Health (WOAH) Terrestrial Code. An animal experiences good welfare if the animal is healthy, comfortable, well nourished, safe, is not suffering from unpleasant states such as pain, fear and distress, and is able to express behaviours that are important for its physical and mental state. Good animal welfare requires disease prevention and appropriate veterinary care, shelter, management and nutrition, a stimulating and safe environment, humane handling and humane slaughter or killing. In addition, enterprises should adhere to guidance for the transport of live animals developed by relevant international organisations.

## **UNEP FI Principles for Responsible Banking Guidance**

#### **Guidance link**

The FARMS Initiative has published <u>Responsible Minimum Standards</u> that financial institutions can use to influence and guide meat, milk and egg producers, and other companies in the supply chain, towards responsible treatment of farm animals, including how farm animals are raised, transported and slaughtered.

## **UNEP FI Principles for Sustainable Insurance**

Guidance link (non-life insurance)

## 9.7 Animal welfare/testing

- EU Directive on the protection of animals used for scientific purposes
- Farms Initiative: Responsible Minimum Standards
- FAO Impact of Disasters and Crises on Agriculture and Food Security
- FAO Principles for Responsible Investment in Agriculture and Food Systems
- Guiding Principles on Replacement, Reduction and Refinement
- OIE Guidelines on Disaster Management and Risk Reduction in Relation to Animal Health and Welfare and Veterinary Public Health
- Various farm accreditation schemes (e.g. Beter Leven ("Better Life"), Royal Society for the Prevention of Cruelty to Animals (RSPCA), Farm Animal Investment Risk and Return (FAIRR)